

# Exhibit 13



# Ripple, XRP, and the XRP Ledger

---

NYC Metro Infragard Blockchain Summit

*May 10, 2018*

[REDACTED]@ripple.com

1

# Agenda

---

- Introduction
- Ripple, the Company
- XRP, the Digital Asset
- The XRP Ledger, the Blockchain
- Monitoring & Investigations
- Q&A

[REDACTED] CAMS

BSA Officer, Ripple  
San Francisco, CA [REDACTED]@ripple.com



**FIELD COMPLIANCE  
OFFICER**

Oversaw BSA/AML  
compliance of 300+ MSB  
agents in Pacific NW

**SENIOR AML  
INVESTIGATOR**

Managed investigation of  
1,000+ cases and  
hundreds of SAR filings



**BSA OFFICER**

Head of BSA Compliance  
for payments Fintech in the  
blockchain/crypto space



# What is Ripple?

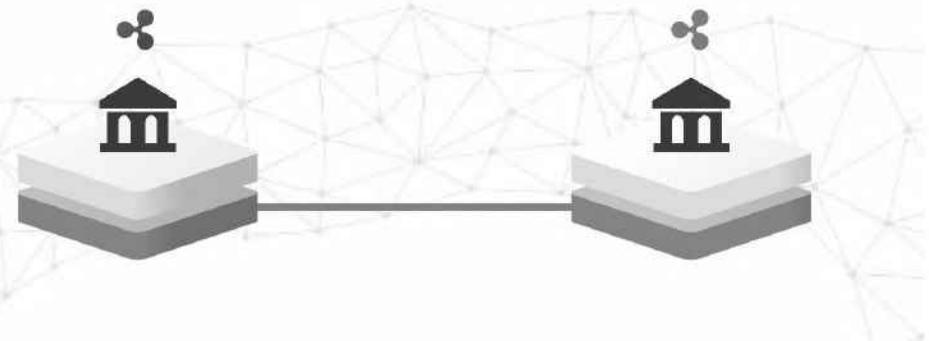
---





## Enterprise Solutions for Global Payments Using Blockchain Technology

Enabling the world to move money like  
information moves today.

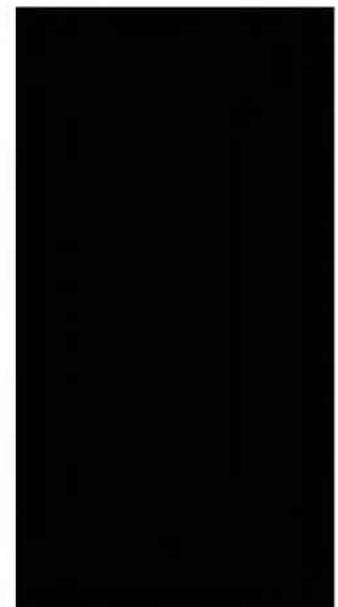




FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

**Our Investors**

---



Team members

## Our Experience

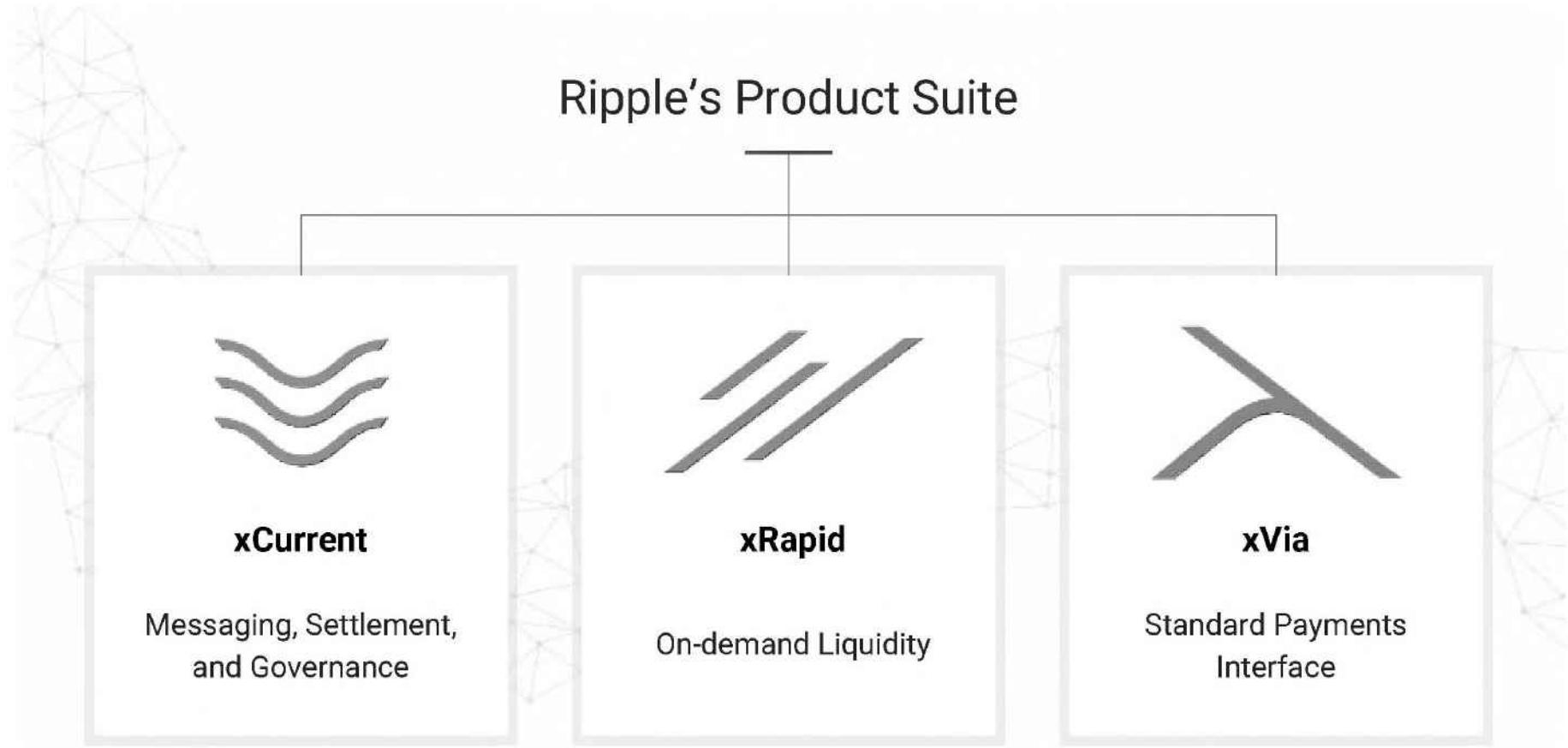
FINANCIAL SERVICES

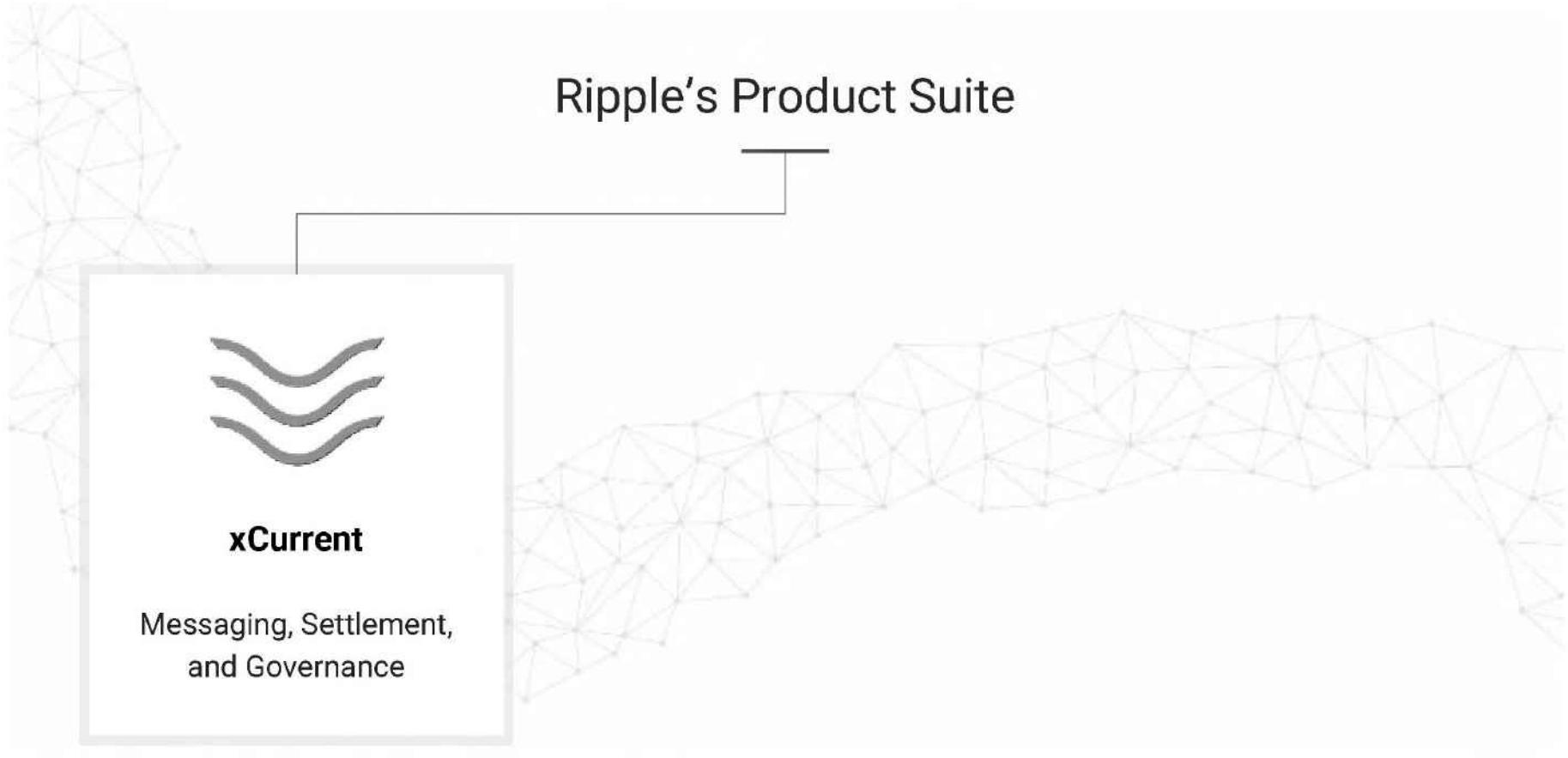


TECHNOLOGY



San Francisco | NYC | London | Sydney | Luxembourg | Mumbai | Singapore | Tokyo



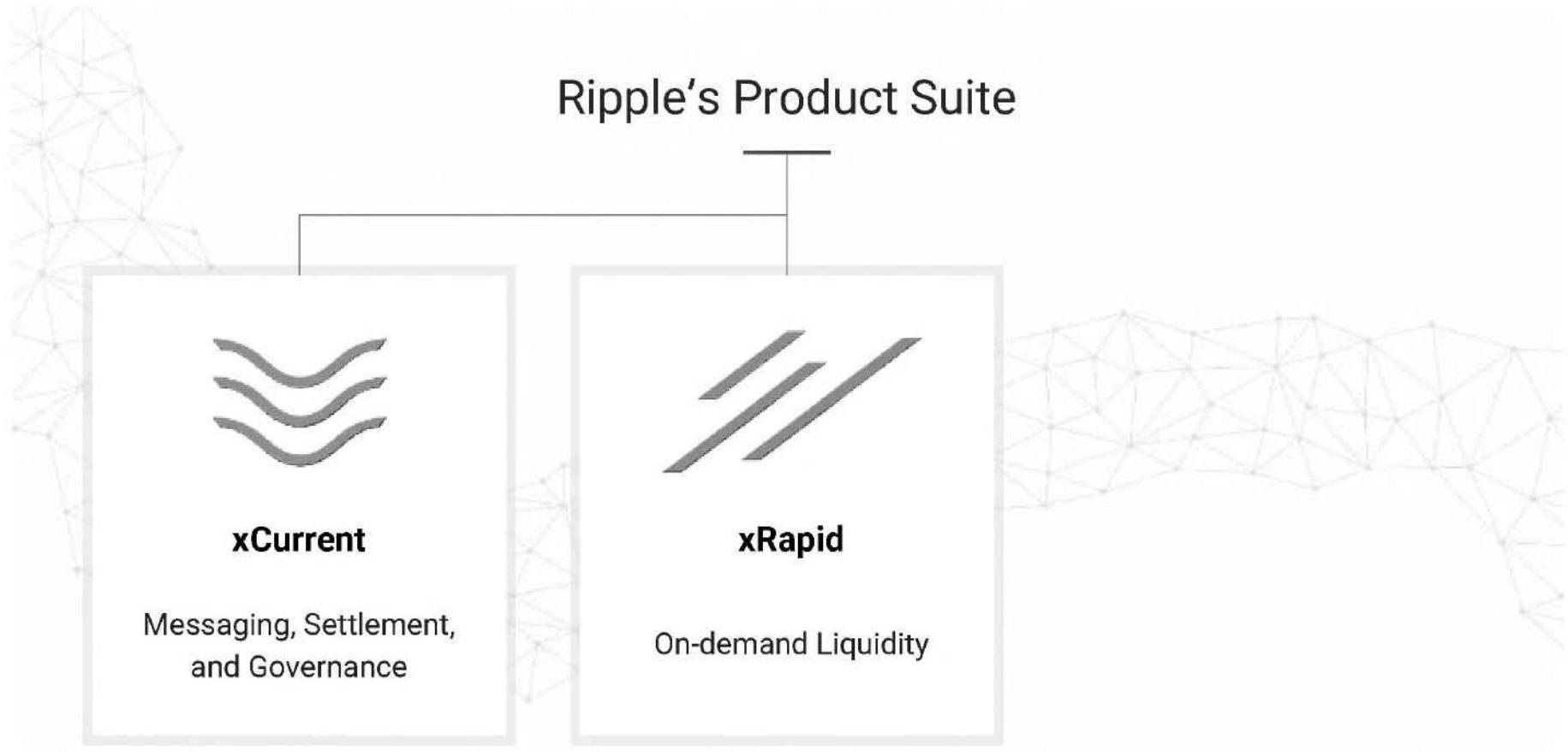


## xCurrent

---

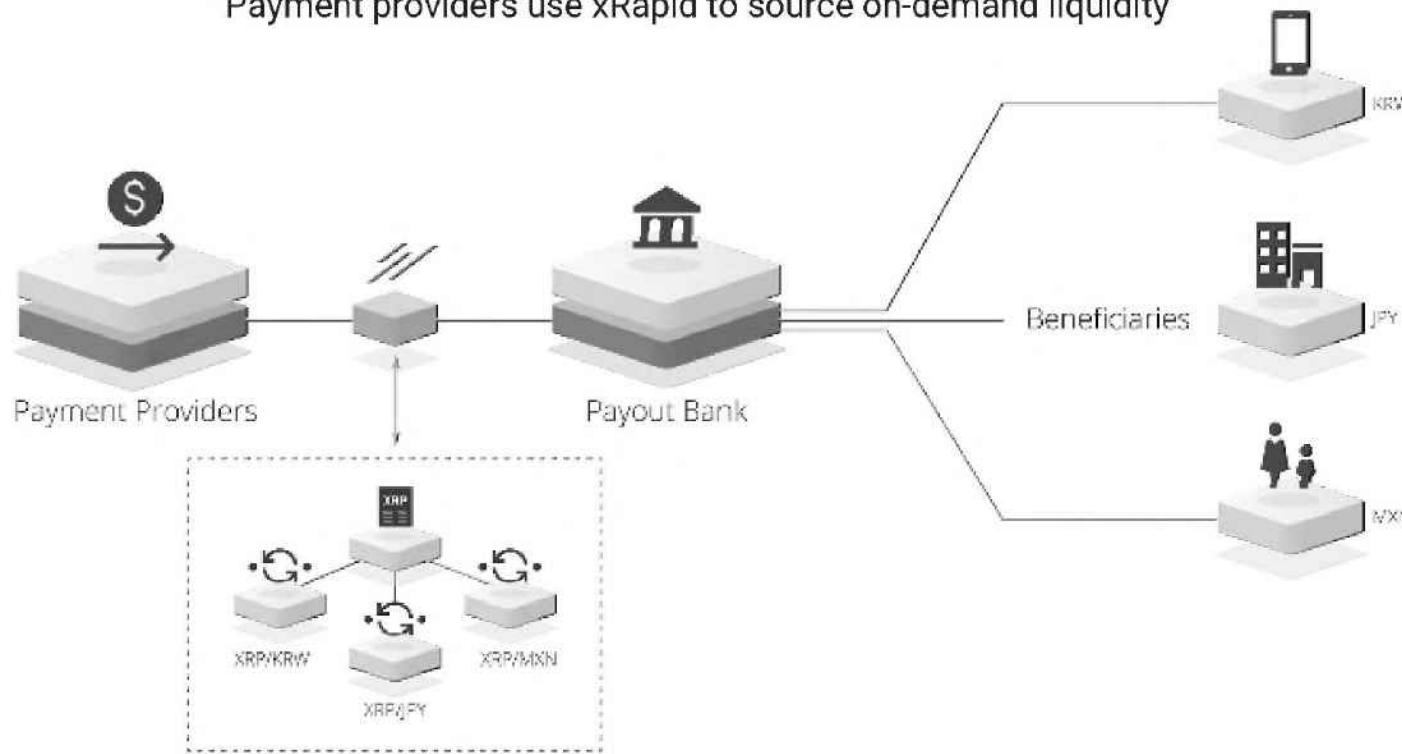
Banks use xCurrent to process global payments for their customers

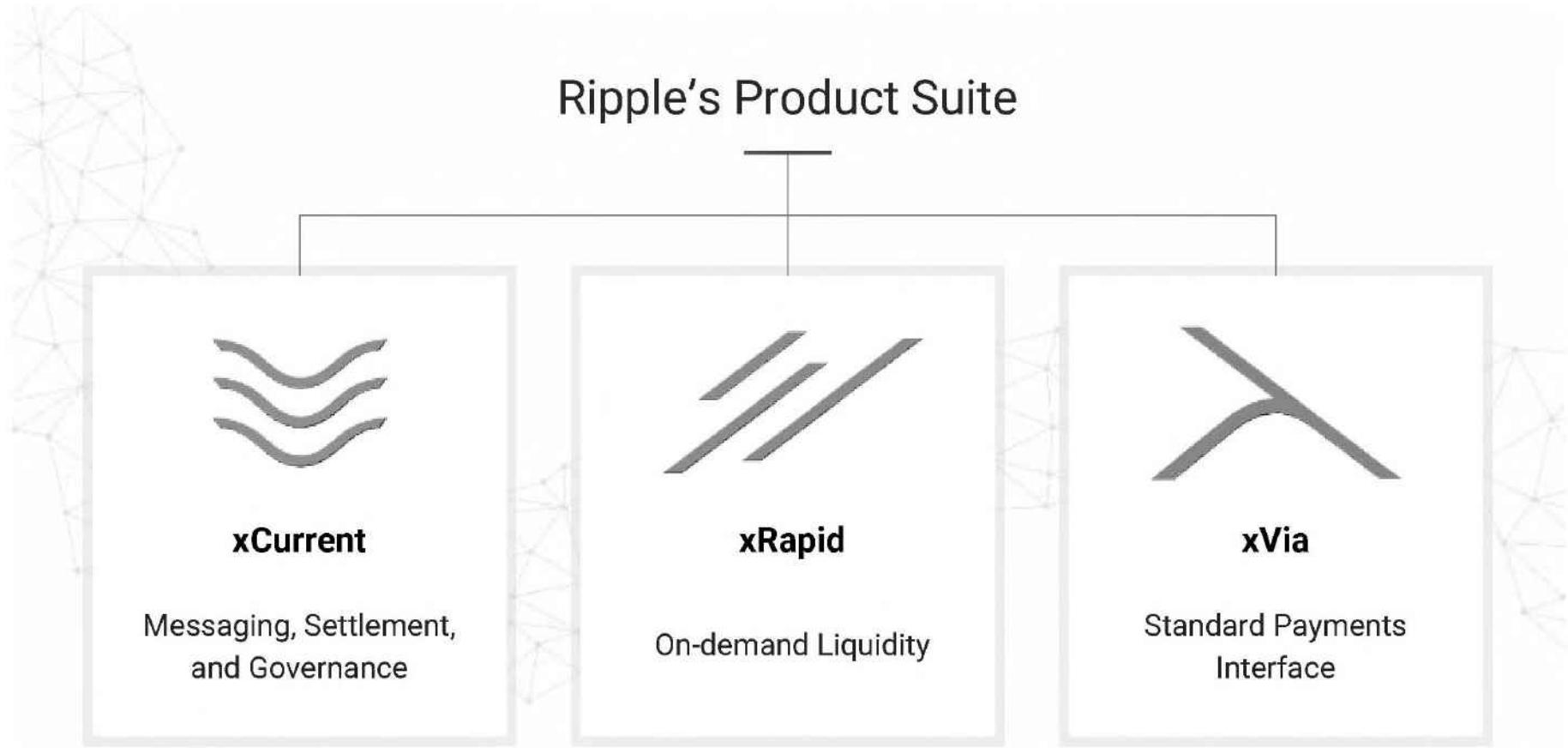




## xRapid

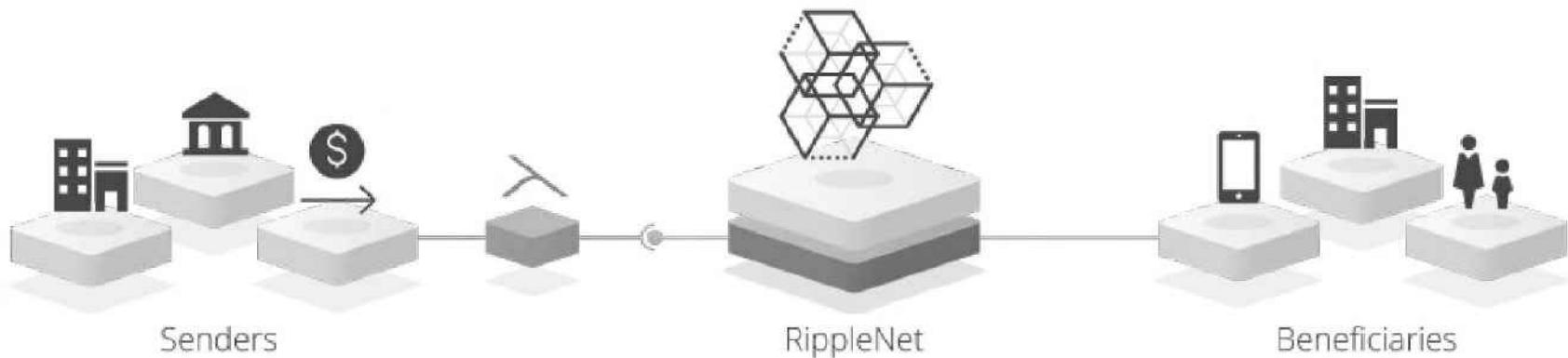
Payment providers use xRapid to source on-demand liquidity





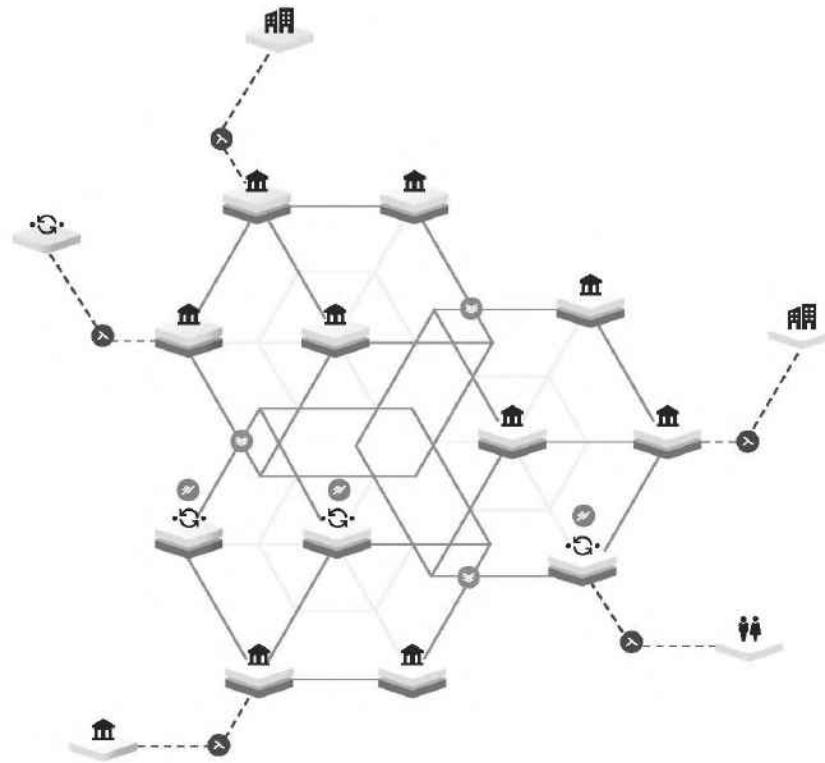
## xVia

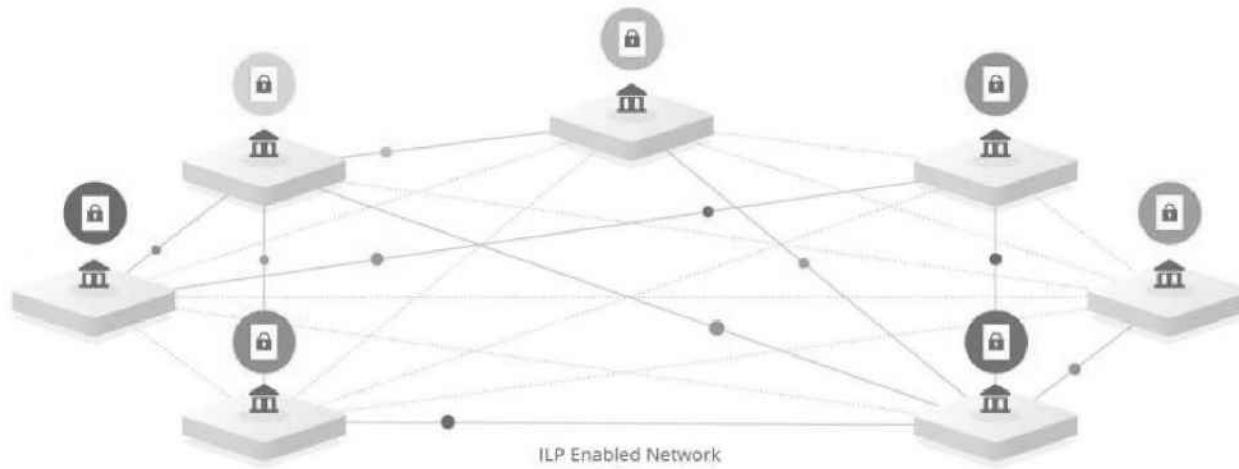
Businesses use xVia to plug into RippleNet to send payments



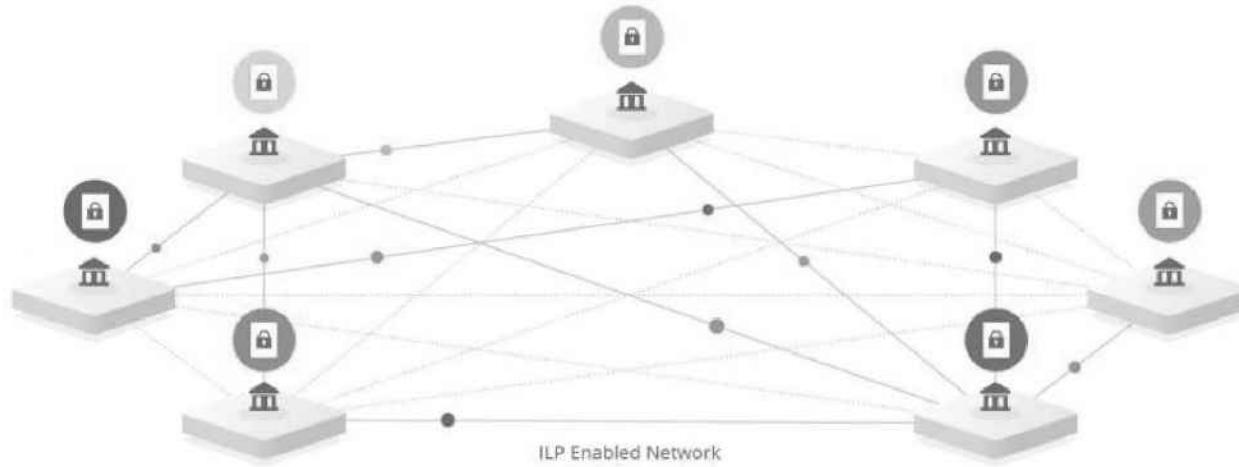
## Building RippleNet

Connecting banks, payment providers, digital asset exchanges and corporates to provide one frictionless experience to send money globally.



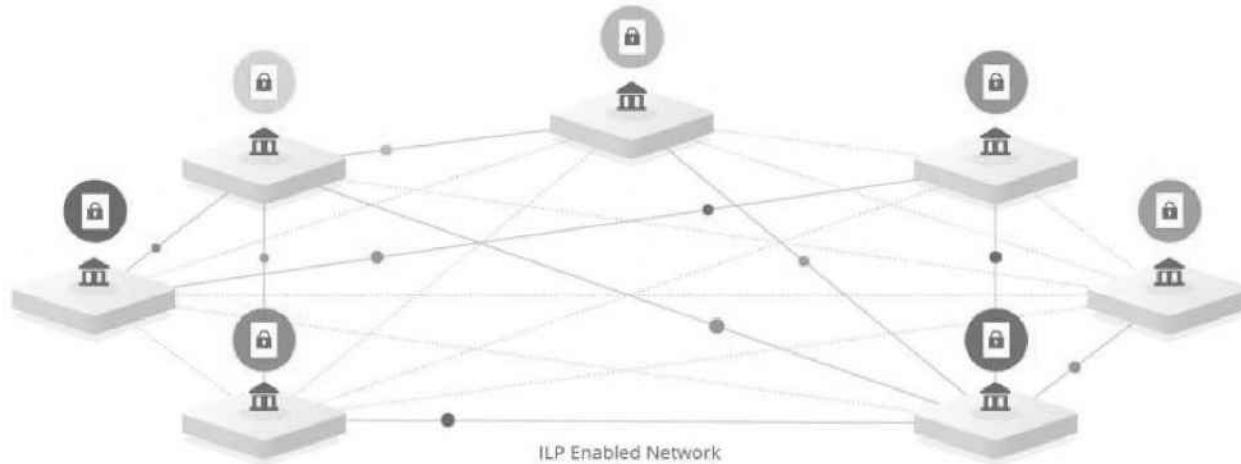


## Interledger Protocol (ILP)



## Interledger Protocol (ILP)

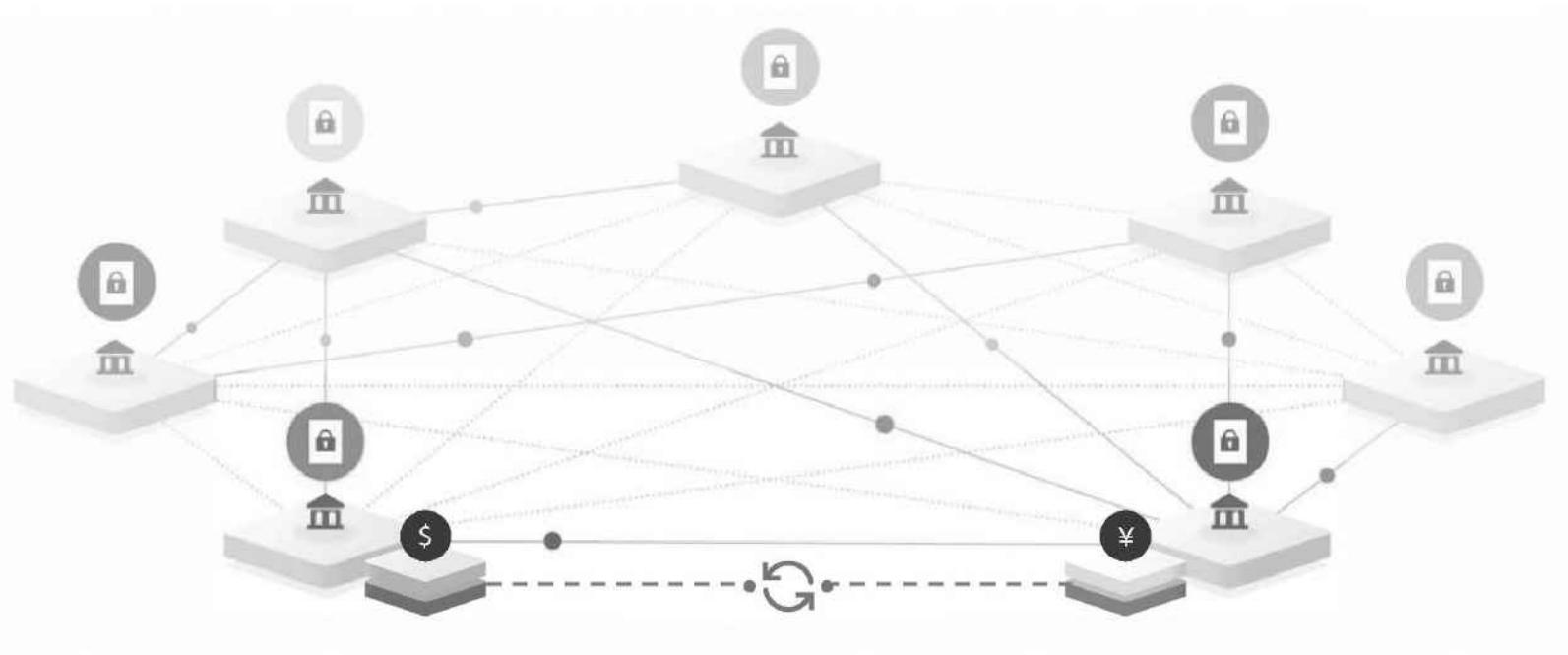
Open-source technology



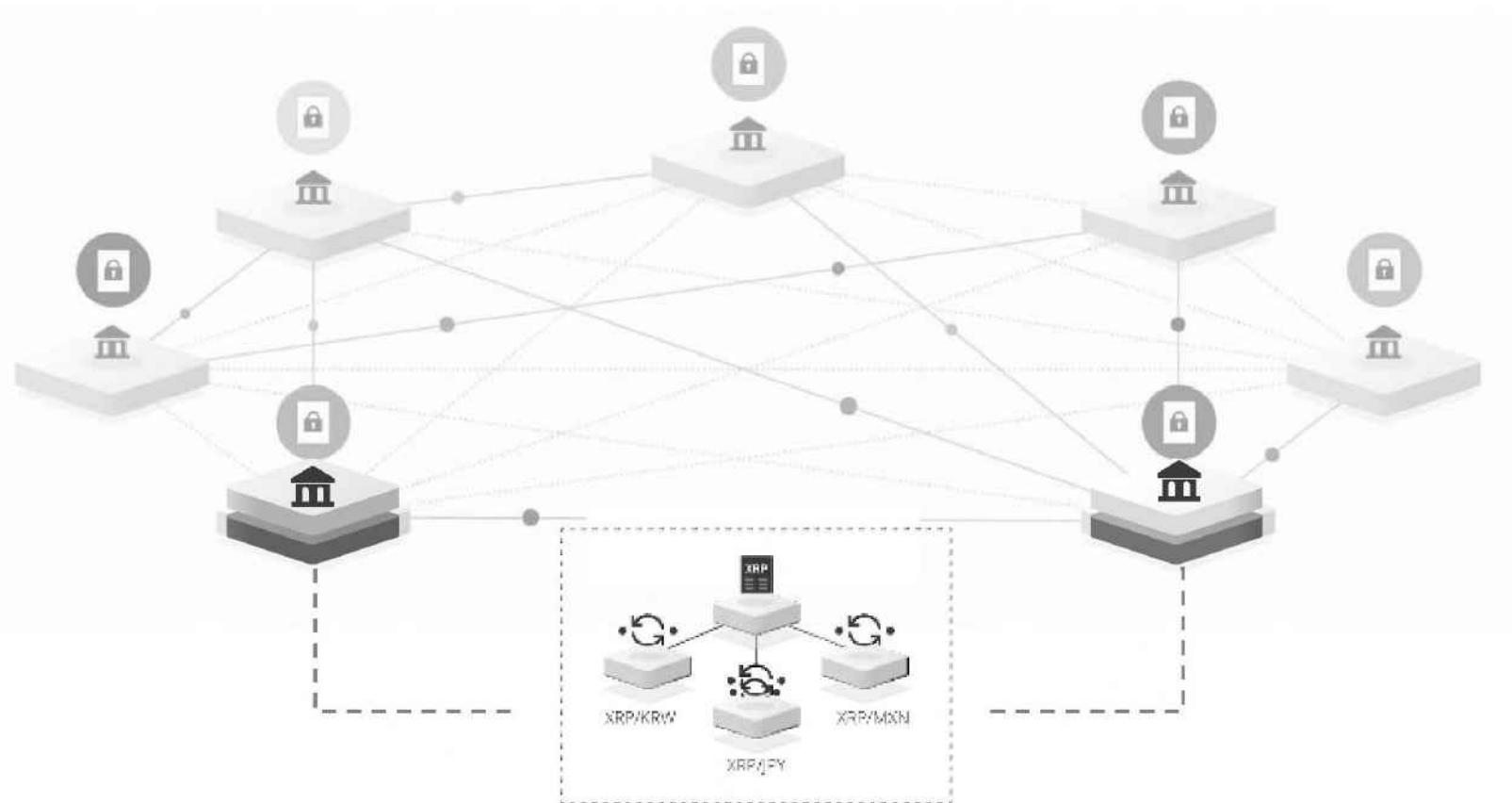
## Interledger Protocol (ILP)

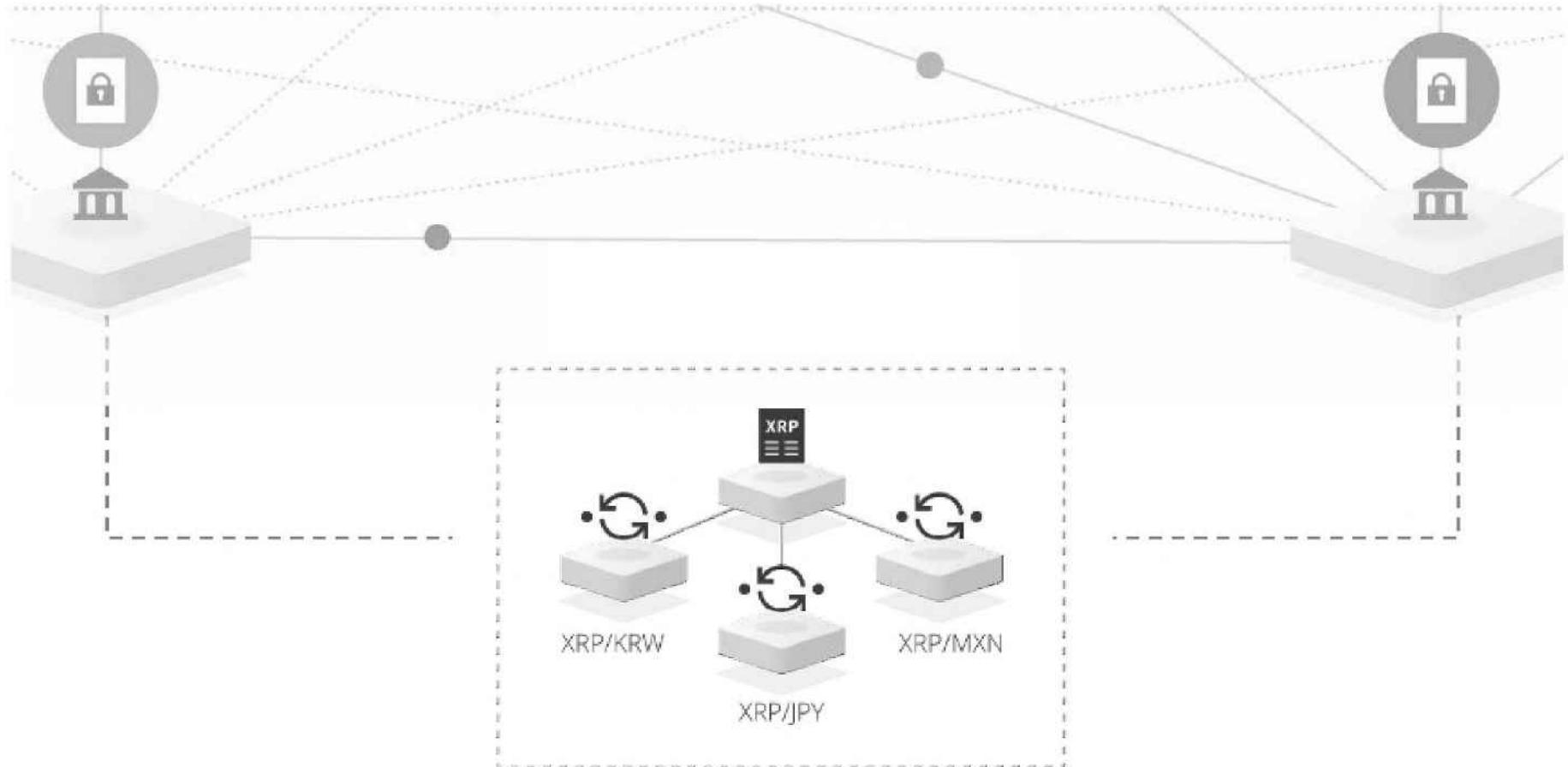
- Open-source technology
- Synchronizes transactions across multiple ledgers

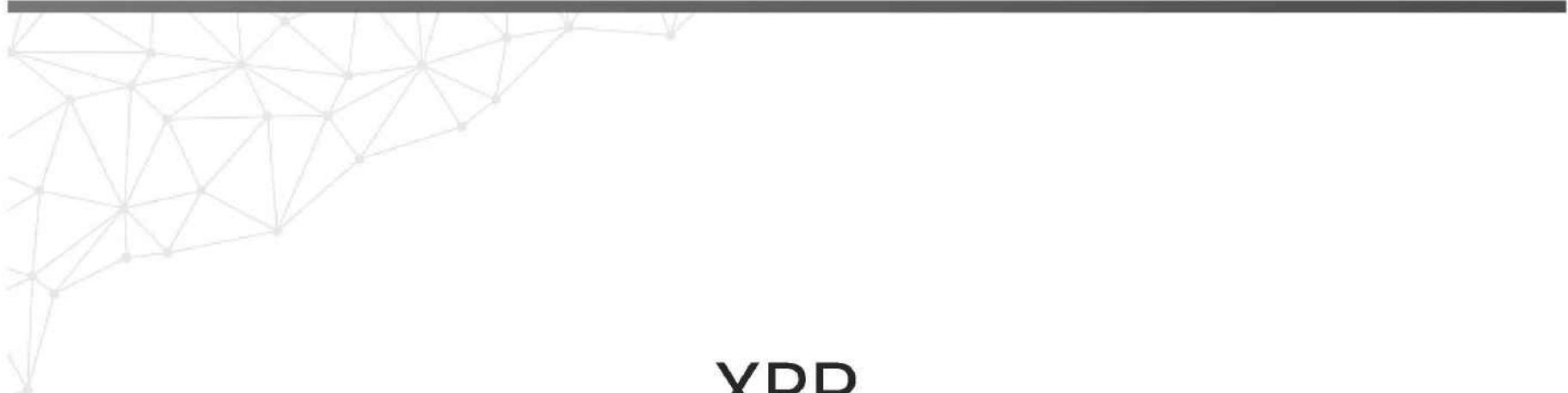
## For High Volume Corridors



## For More Exotic Corridors







# XRP

---

The Digital Asset Liquidity Solution



22

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

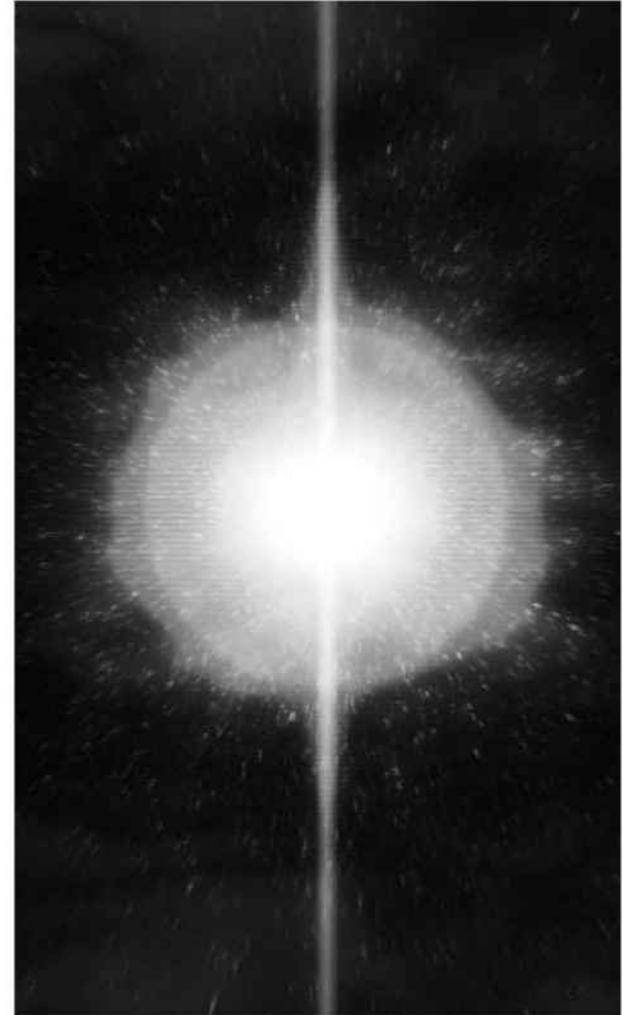
RPLI\_SEC 0258195

2012

## XRP is Born

---

100 billion XRP initially created as the digital asset native to the XRP Ledger



FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258196

## The Attributes of XRP



24

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258197

## The Attributes of XRP



### Pre-Mined

---

Built directly into  
the XRP Ledger



## The Attributes of XRP



**Pre-Mined**



**Scarce**

---

Built directly into  
the XRP Ledger

---

All XRP that will ever  
exist already exists  
(100 billion)



## The Attributes of XRP



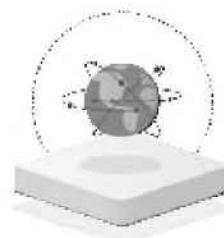
### Pre-Mined

Built directly into the XRP Ledger



### Scarce

All XRP that will ever exist already exists (100 billion)



### Counterparty-Free

Not dependent on a specific third party for redemption



## The Attributes of XRP



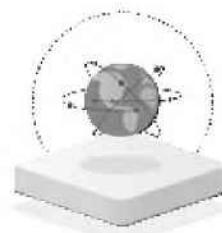
### Pre-Mined

Built directly into the XRP Ledger



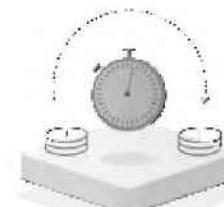
### Scarce

All XRP that will ever exist already exists (100 billion)



### Counterparty-Free

Not dependent on a specific third party for redemption



### Fungible

All units of XRP are considered equal and valued equally



## XRP as an Anti-Spam Measure

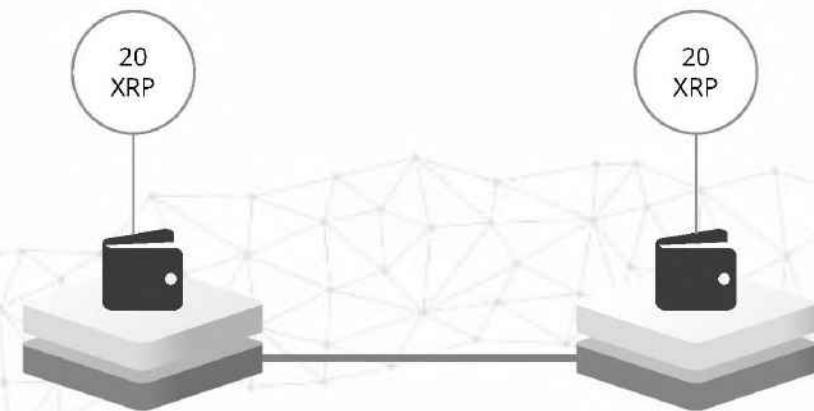
---



## XRP as an Anti-Spam Measure

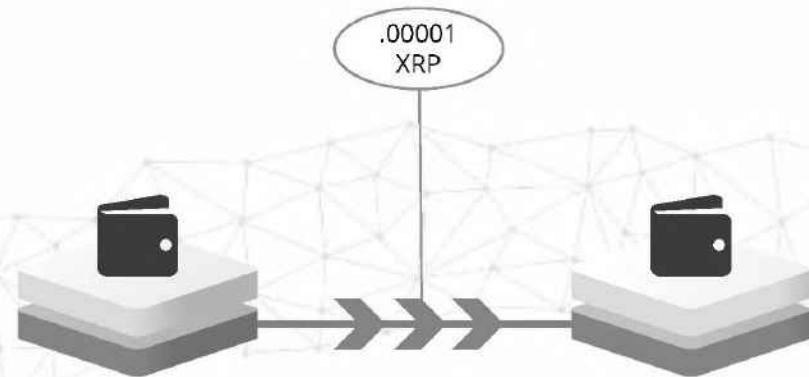
---

All XRP wallets are required to have a small reserve of XRP.



## XRP as an Anti-Spam Measure

There is a fee of .00001 XRP for each transaction, which is destroyed upon transaction.





**BUT HOW IS IT DIFFERENT FROM BITCOIN?**



32

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258205

## Comparing XRP to Bitcoin

BITCOIN

XRP



33

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258206

## Comparing XRP to Bitcoin

### BITCOIN

- ④ 4 hours to settle

### XRP

- ④ 4 seconds to settle



## Comparing XRP to Bitcoin

### BITCOIN

- ④ 4 hours to settle
- ④ Fees: +\$2.00/transaction

### XRP

- ④ 4 seconds to settle
- ④ Fees: \$0.005/transaction



## Comparing XRP to Bitcoin

### BITCOIN

- ④ 4 hours to settle
- ④ Fees: +\$2.00/transaction
- ④ 8 transactions per second

### XRP

- ④ 4 seconds to settle
- ④ Fees: \$0.005/transaction
- ④ 1000 transactions per second



## Comparing XRP to Bitcoin

### BITCOIN

- ④ 4 hours to settle
- ④ Fees: +\$2.00/transaction
- ④ 8 transactions per second
- ④ 94 kWh per transaction

### XRP

- ④ 4 seconds to settle
- ④ Fees: \$0.005/transaction
- ④ 1000 transactions per second
- ④ Negligible energy consumption



## Comparing XRP to Bitcoin

### BITCOIN

- 4 hours to settle
- Fees: +\$2.00/transaction
- 8 transactions per second
- 94 kWh per transaction
- Requires global adoption

### XRP

- 4 seconds to settle
- Fees: \$0.005/transaction
- 1000 transactions per second
- Negligible energy consumption
- Works across networks



## Comparing XRP to Bitcoin

### BITCOIN

- 4 hours to settle
- Fees: +\$2.00/transaction
- 8 transactions per second
- 94 kWh per transaction
- Requires global adoption
- Unstable governance

### XRP

- 4 seconds to settle
- Fees: \$0.005/transaction
- 1000 transactions per second
- Negligible energy consumption
- Works across networks
- 30 million ledgers closed without issue

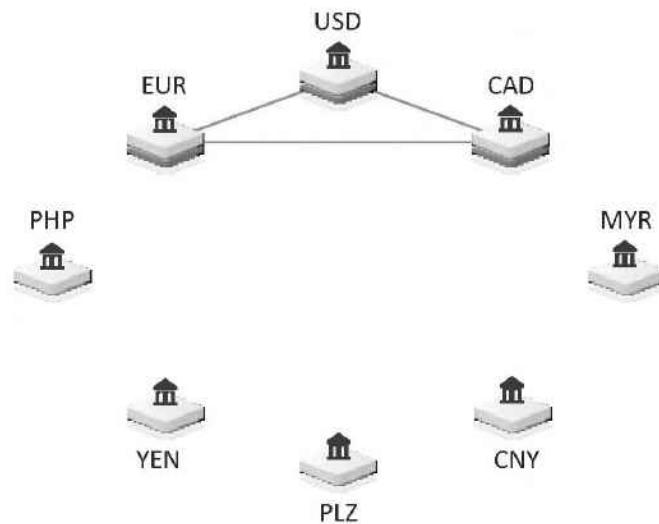


# XRP for the Enterprise Use Case

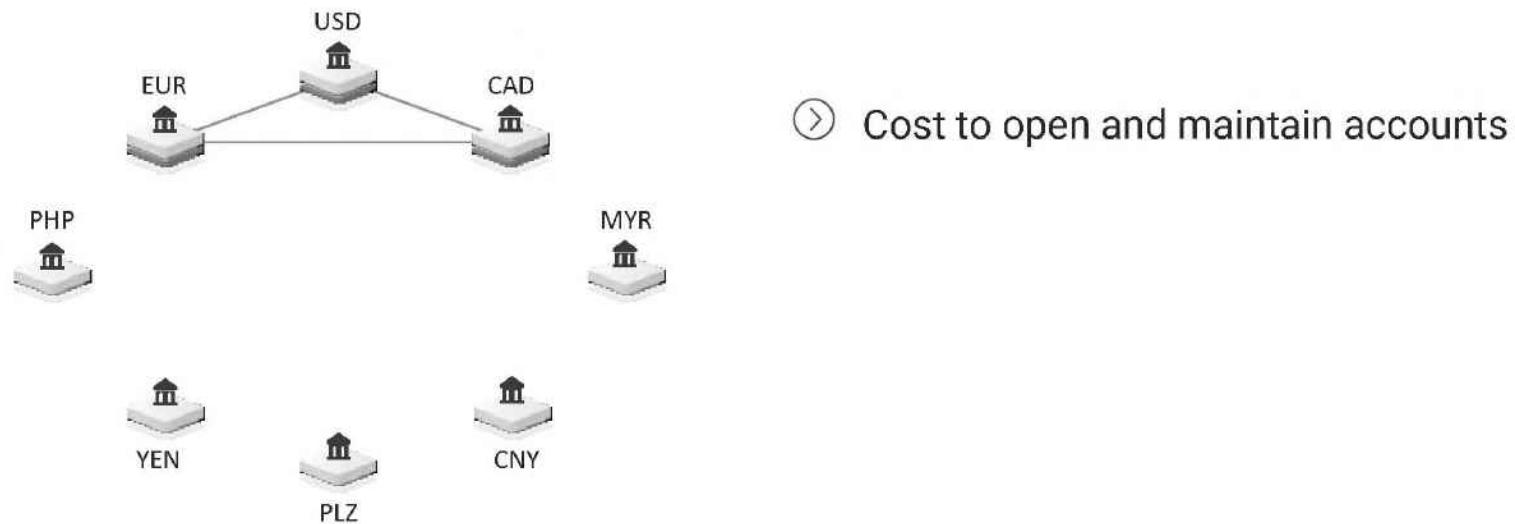
---



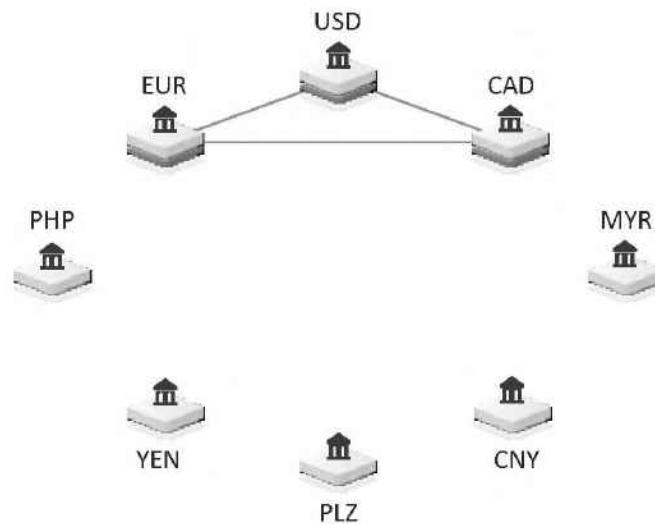
## Today: Payment Reach Through Account Relationships



## Today: Payment Reach Through Account Relationships



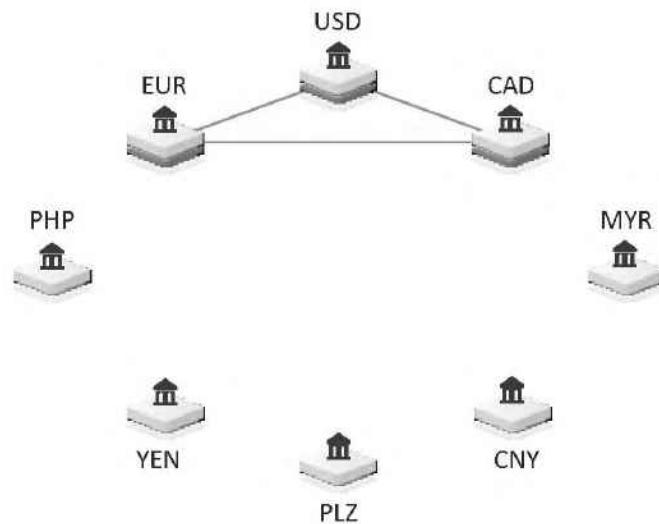
## Today: Payment Reach Through Account Relationships



- Cost to open and maintain accounts
- Ongoing compliance costs for the bank

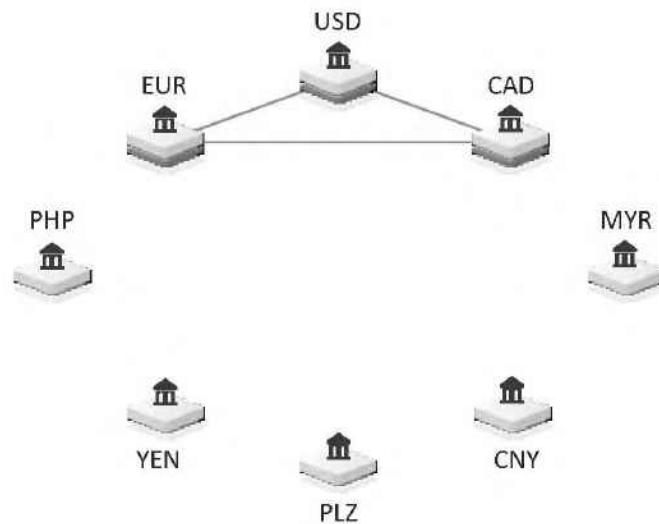


## Today: Payment Reach Through Account Relationships



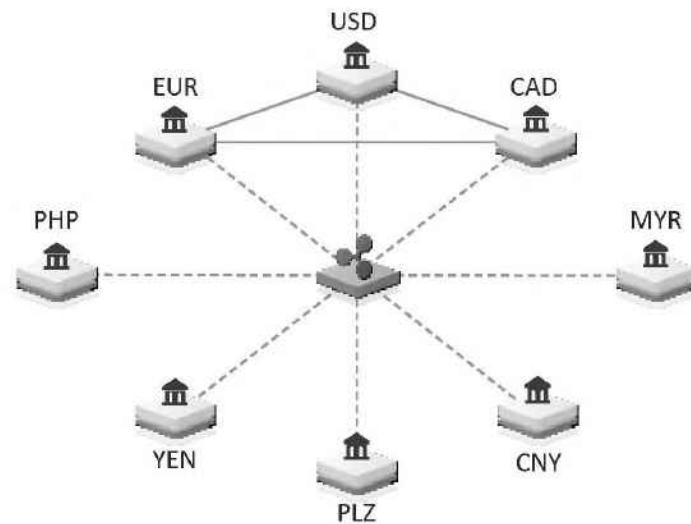
- Cost to open and maintain accounts
- Ongoing compliance costs for the bank
- Opportunity cost of trapped liquidity

## Today: Payment Reach Through Account Relationships

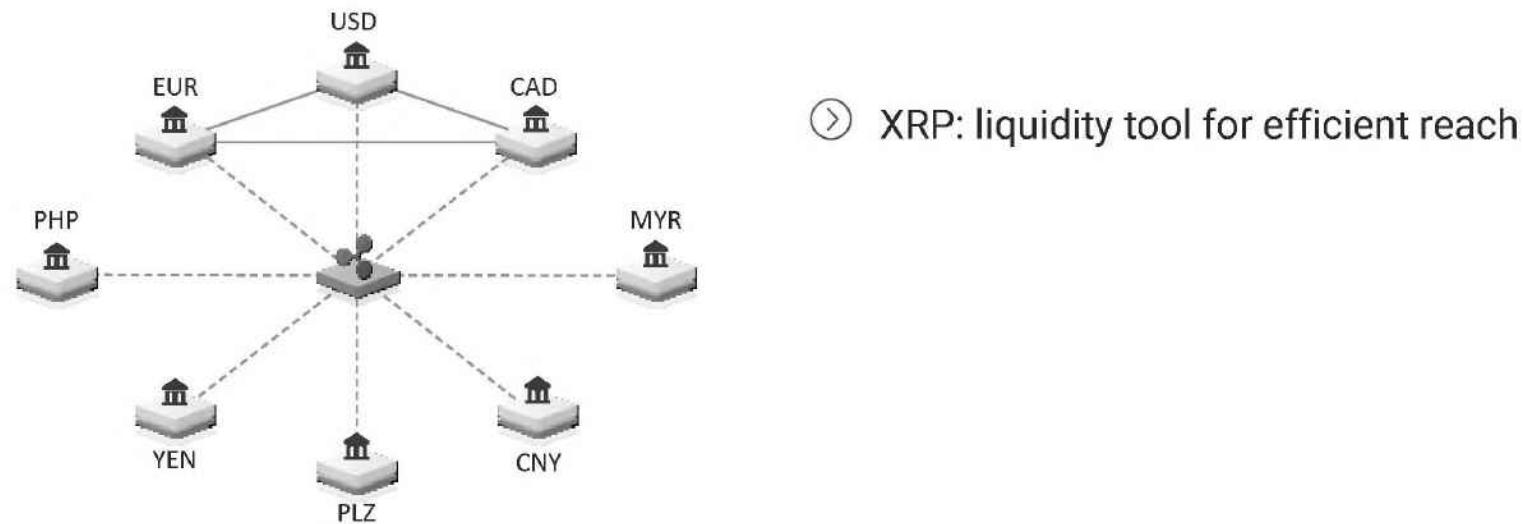


- Cost to open and maintain accounts
- Ongoing compliance costs for the bank
- Opportunity cost of trapped liquidity
- Reach limited to high-volume corridors

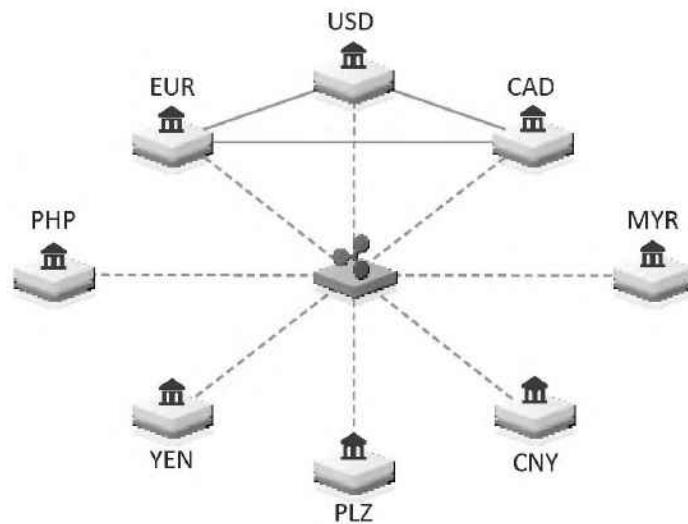
## Expanding Reach through a Digital Asset – XRP



## Expanding Reach through a Digital Asset – XRP



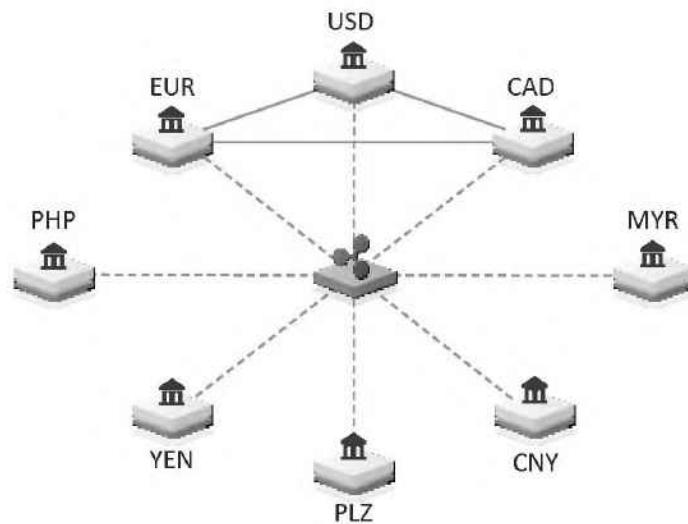
## Expanding Reach through a Digital Asset – XRP



- XRP: liquidity tool for efficient reach
- Sources liquidity for fiat-to-fiat payments



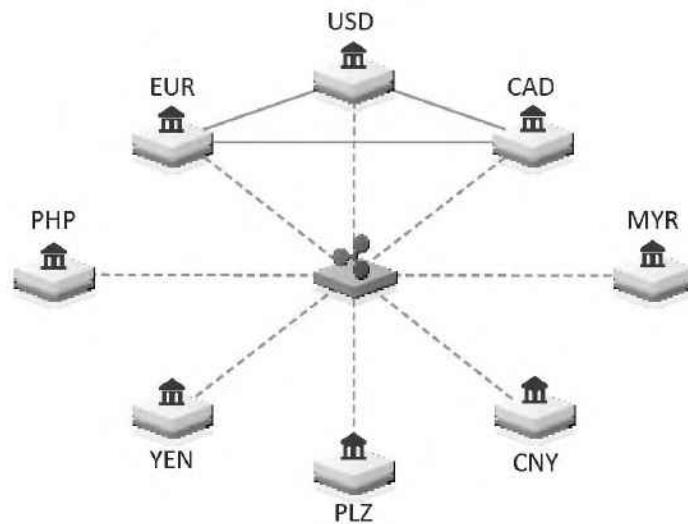
## Expanding Reach through a Digital Asset – XRP



- XRP: liquidity tool for efficient reach
- Sources liquidity for fiat-to-fiat payments
- Eliminates accounts & capital costs



## Expanding Reach through a Digital Asset – XRP



- XRP: liquidity tool for efficient reach
- Sources liquidity for fiat-to-fiat payments
- Eliminates accounts & capital costs
- XRP complements fiat currency



# The XRP Ledger

---

The Home of XRP

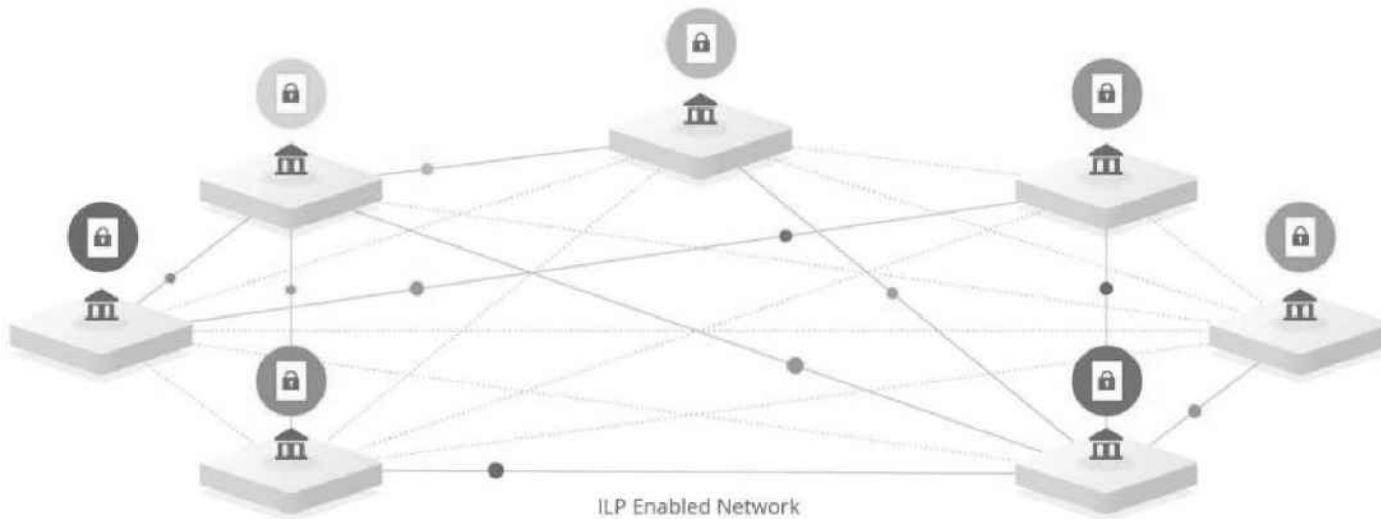


51

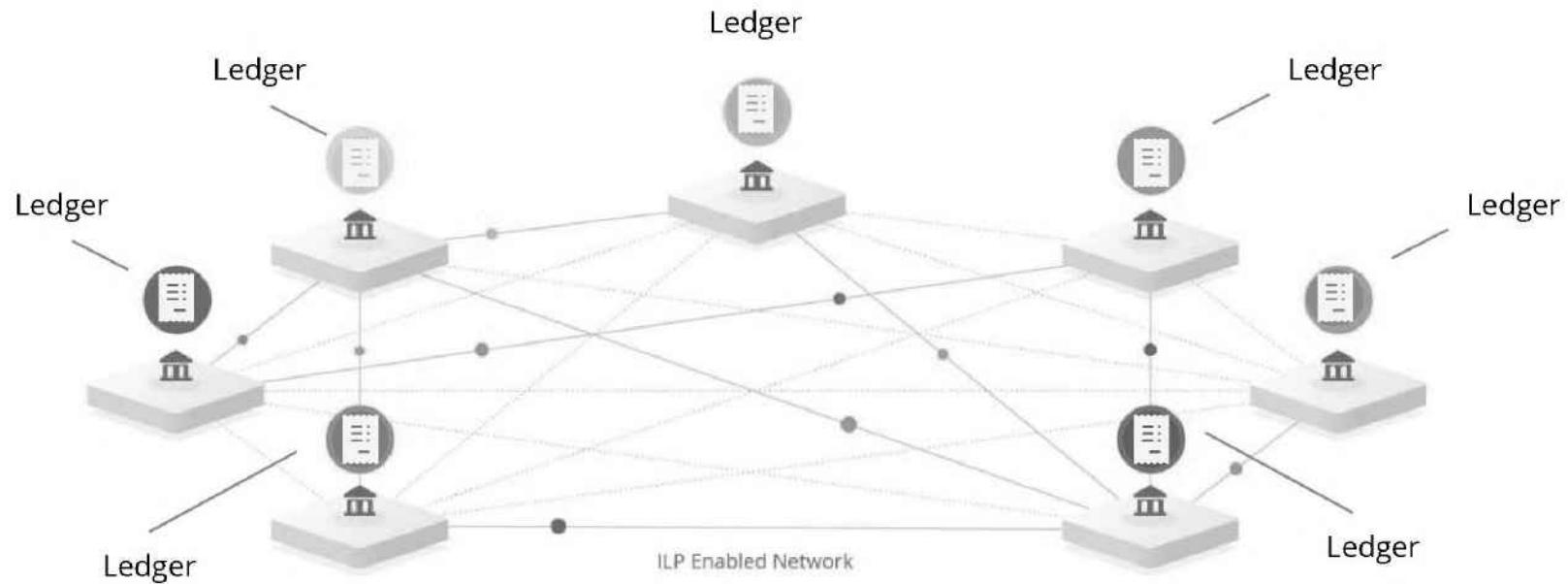
FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258224

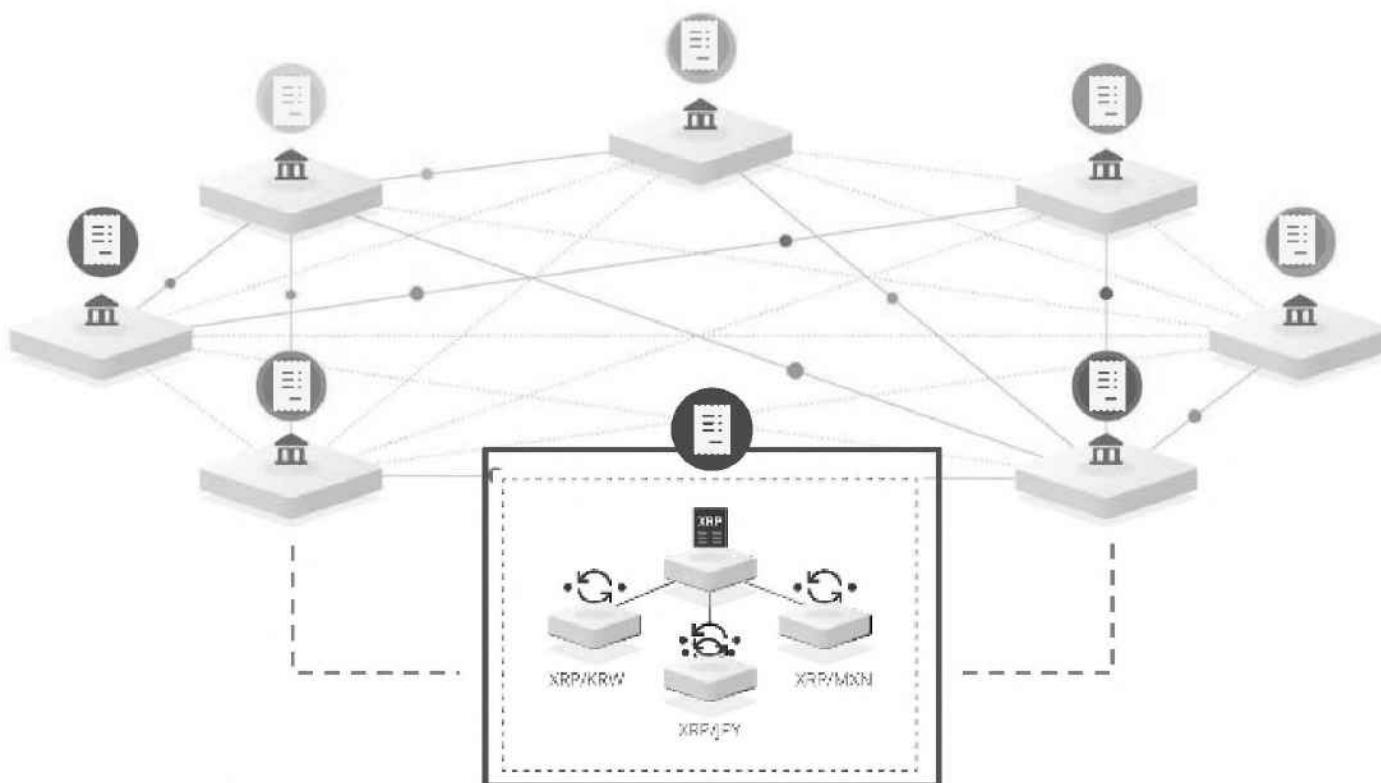
## Interledger Protocol...

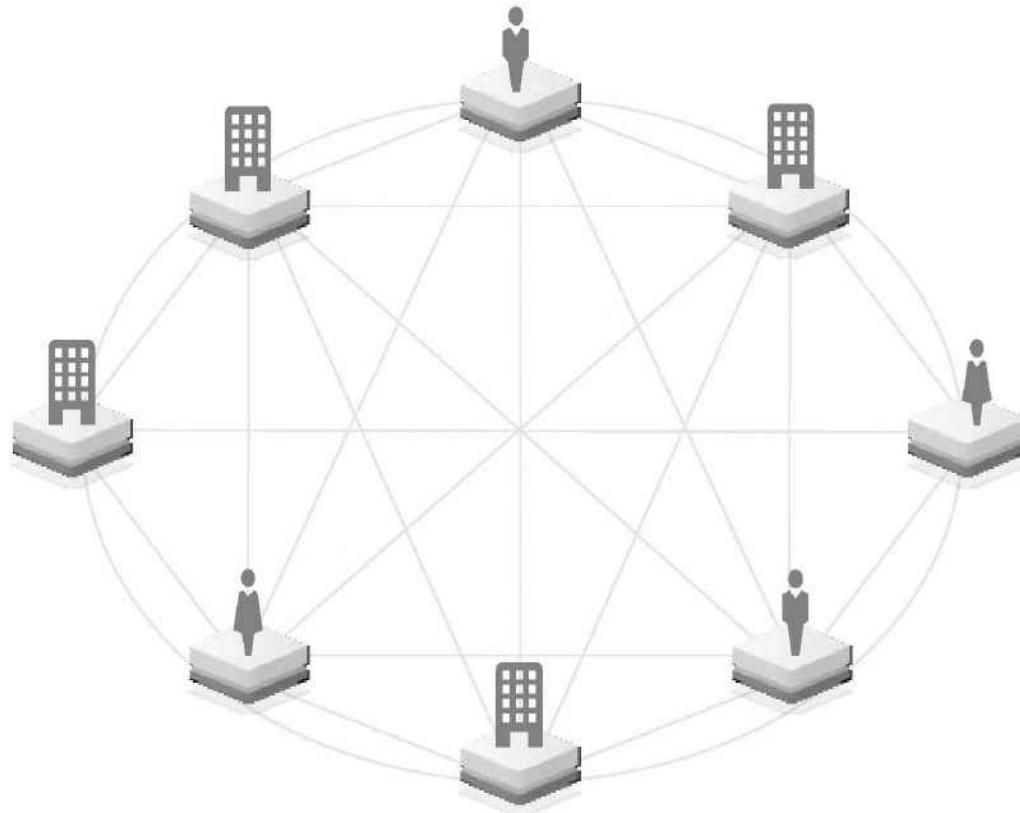


## Interledger Protocol... Connects Ledgers Together



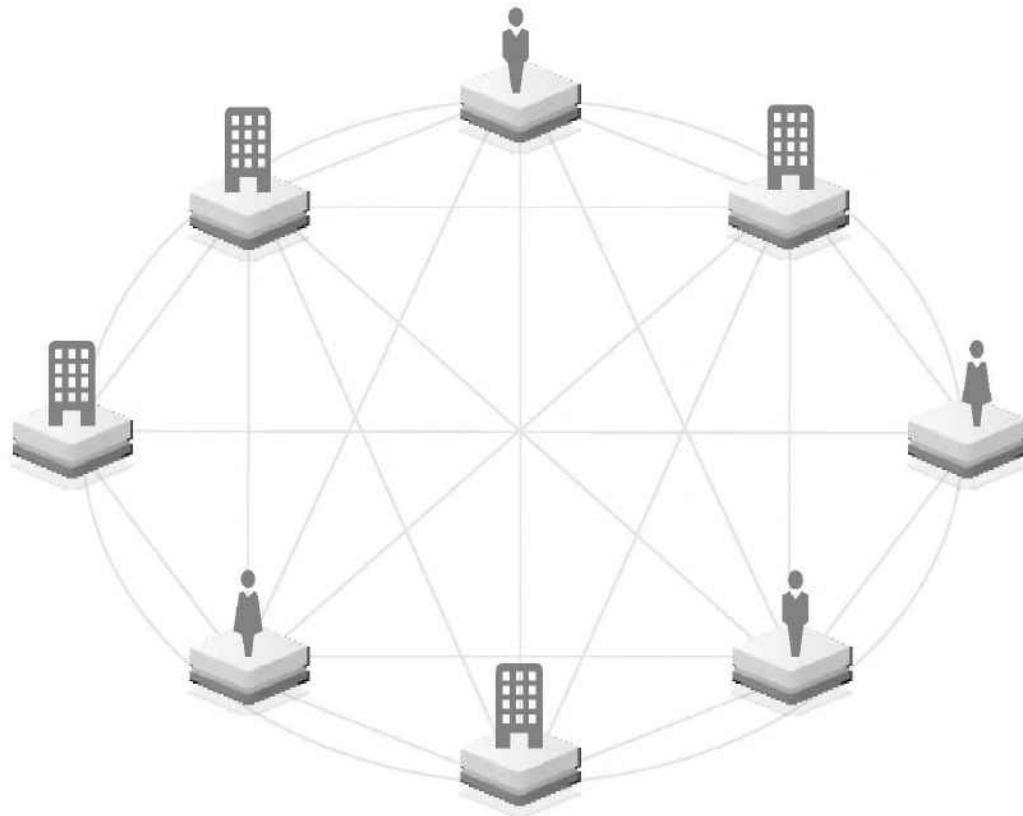
## The XRP Ledger Is Just Another Ledger





## The XRP Ledger

---

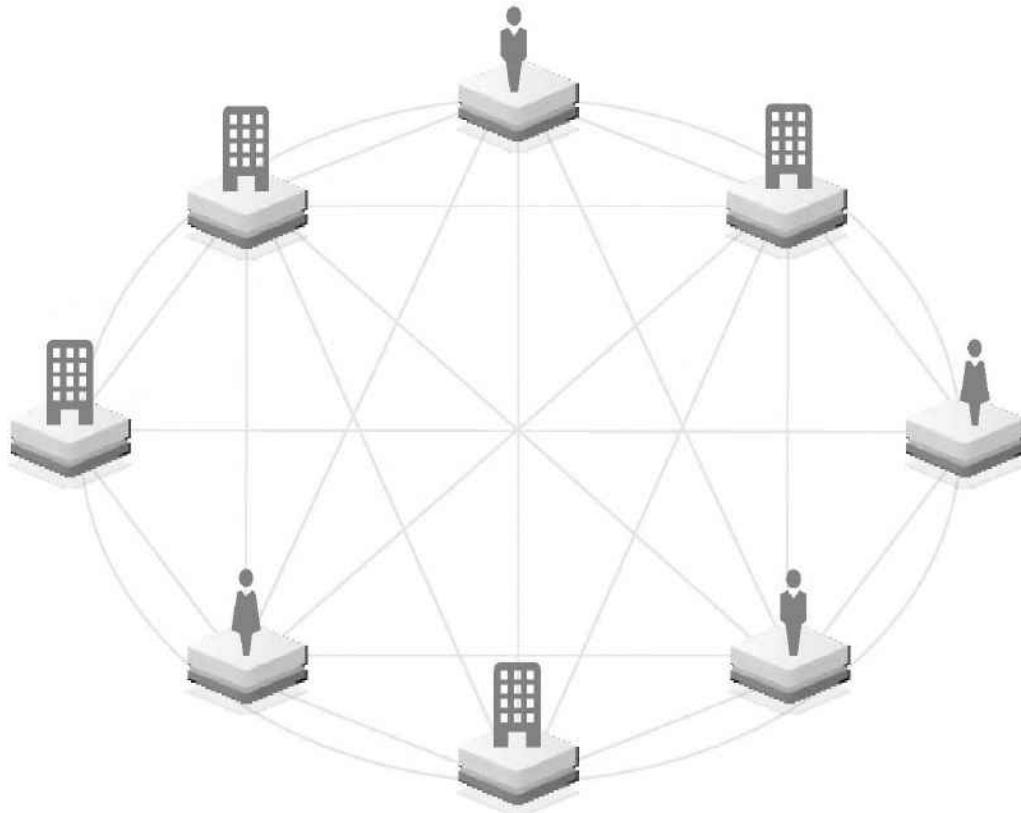


## The XRP Ledger

---

- Open source, distributed ledger



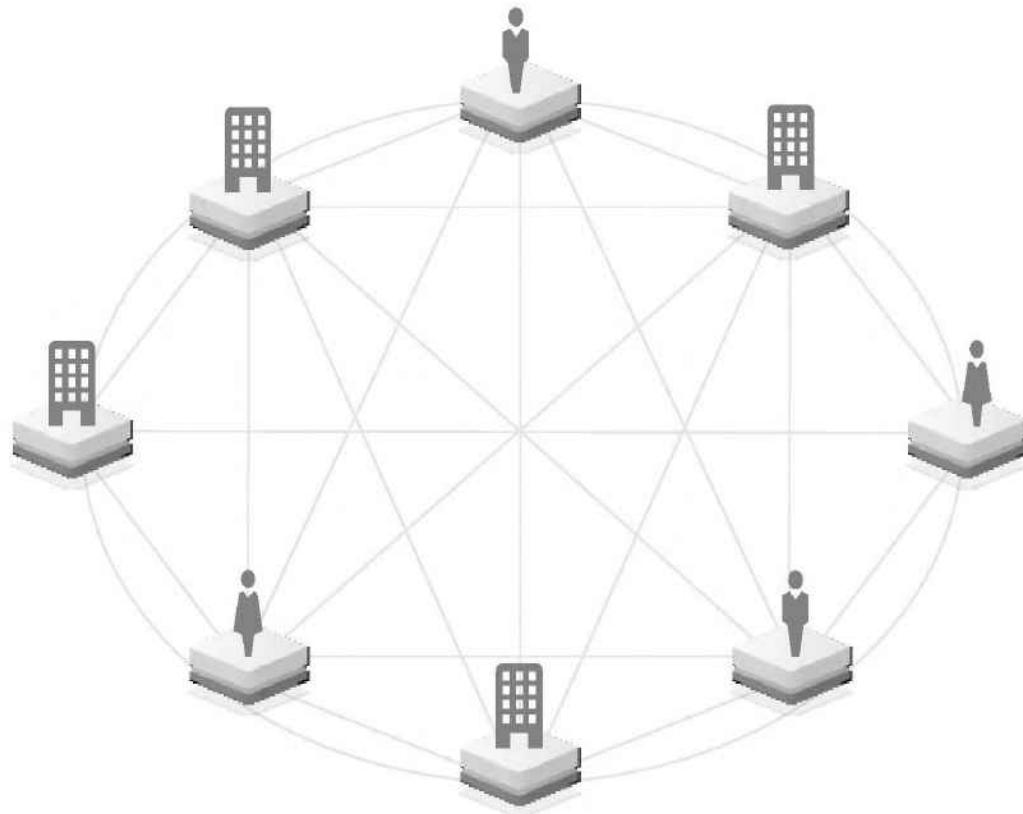


## The XRP Ledger

---

- Open source, distributed ledger
- “Consensus” based



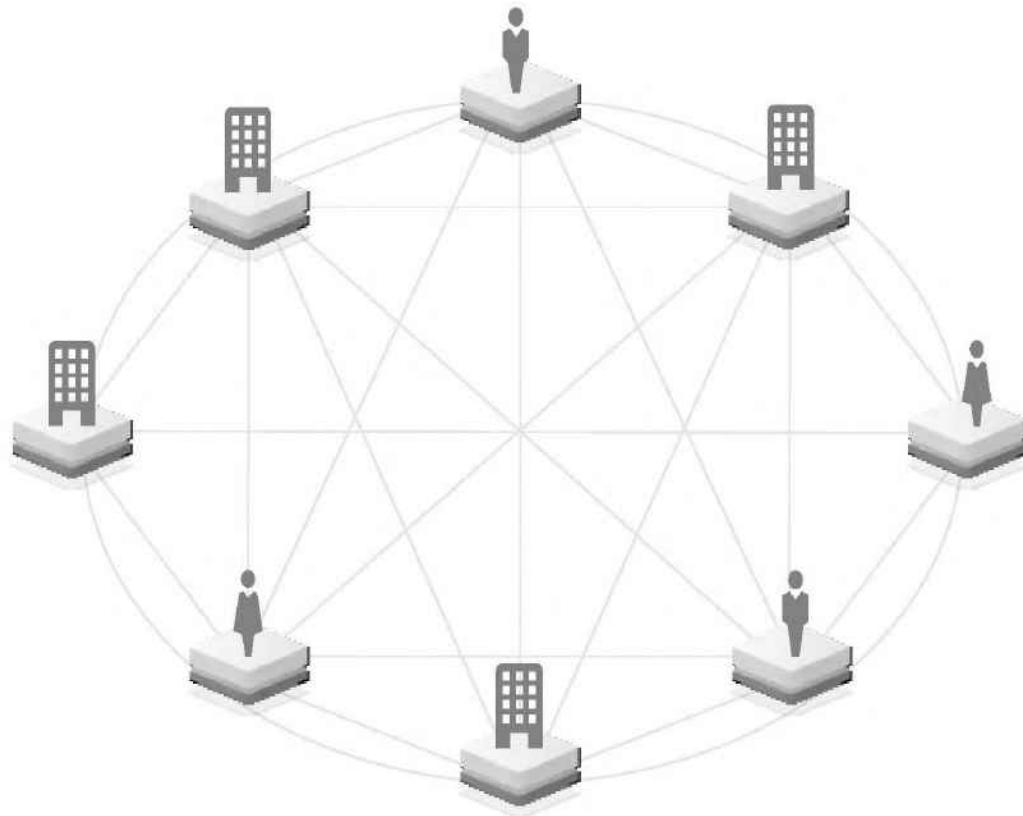


## The XRP Ledger

---

- Open source, distributed ledger
- “Consensus” based
- Supports transfer and exchanges of currency “IOUs” and XRP





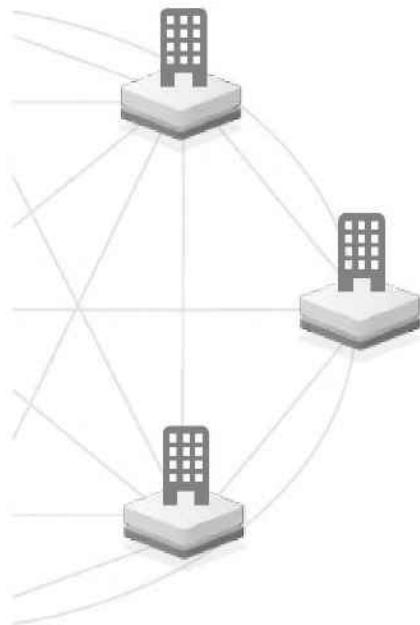
## The XRP Ledger

---

- Open source, distributed ledger
- “Consensus” based
- Supports transfer and exchanges of currency “IOUs” and XRP
- Users deposit and withdraw through “gateways”

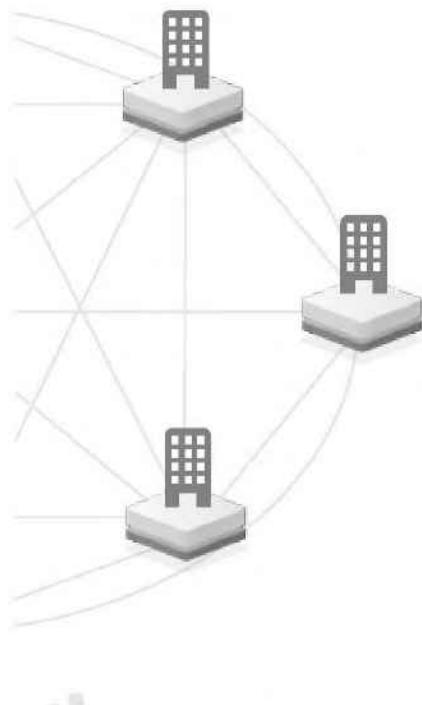
## Moving Funds On and Off the XRP Ledger

**Gateways** are businesses that link the XRP Ledger to the rest of the world.



60

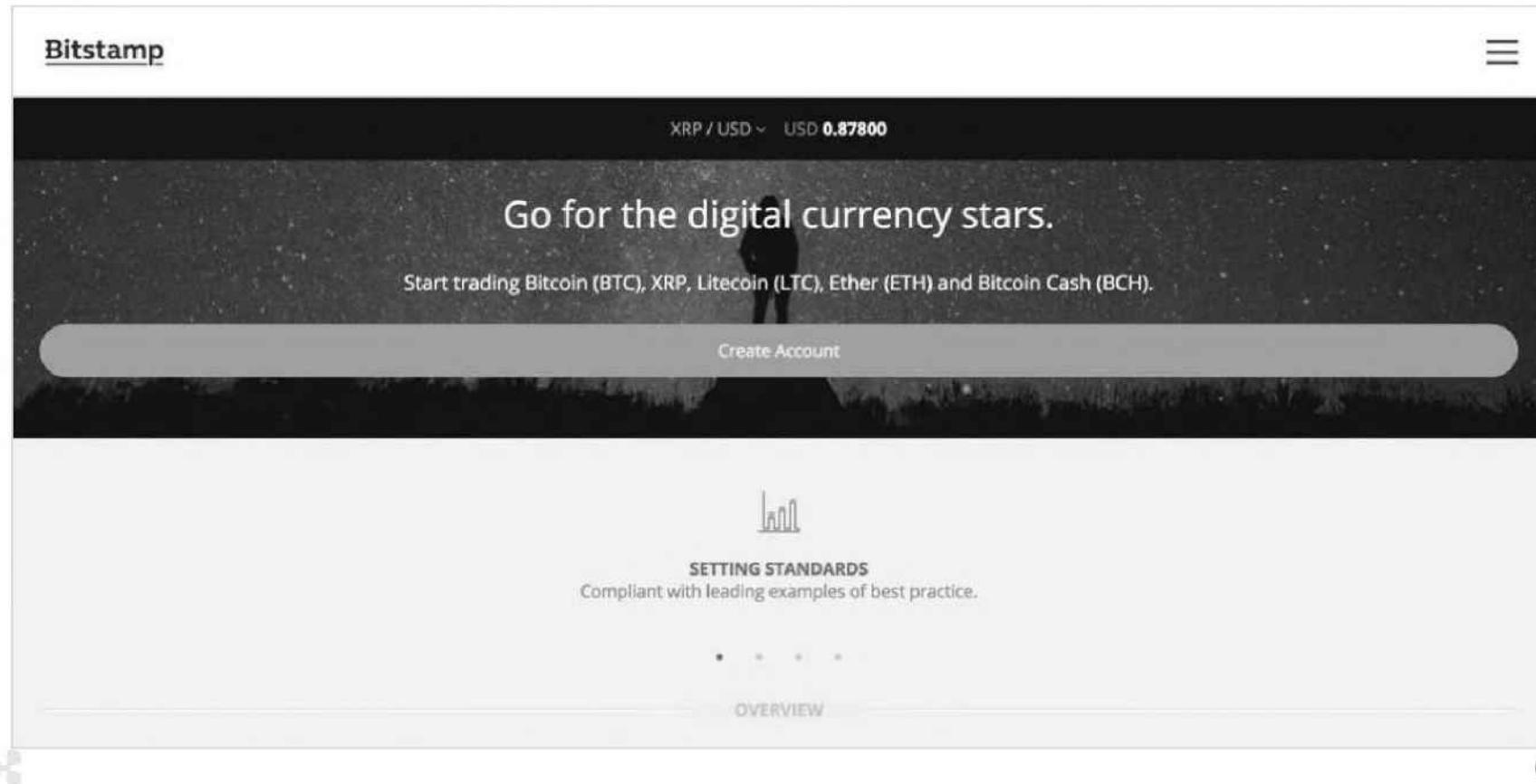
## Moving Funds On and Off the XRP Ledger



**Gateways** are businesses that link the XRP Ledger to the rest of the world.

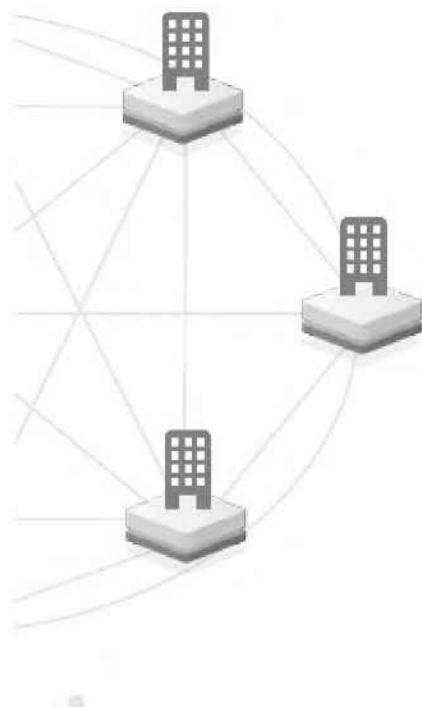
- **Issuing Gateway:** receives money (or other assets of value) outside of the ledger, and creates issuances in XRP Ledger.

## Issuing Gateway: Bitstamp



The screenshot shows the Bitstamp website homepage. At the top, the Bitstamp logo is on the left and a menu icon is on the right. Below the header, the current exchange rate is displayed as XRP / USD **0.87800**. The main headline reads "Go for the digital currency stars." followed by the subtext "Start trading Bitcoin (BTC), XRP, Litecoin (LTC), Ether (ETH) and Bitcoin Cash (BCH)." A "Create Account" button is visible. Below the main banner, there is a section titled "SETTING STANDARDS" with the subtext "Compliant with leading examples of best practice." A small bar chart icon is next to the standards section. At the bottom of the page, there is a horizontal navigation bar with the word "OVERVIEW" in the center. The page is framed by a white border.

## Moving Funds On and Off the XRP Ledger



**Gateways** are businesses that link the XRP Ledger to the rest of the world.

- **Issuing Gateway:** receives money (or other assets of value) outside of the ledger, and creates issuances in XRP Ledger.
- **Private Exchange:** holds XRP and lets its customers buy and sell that XRP in its own system.

## Private Exchange: Poloniex



The screenshot shows the Poloniex homepage. At the top, there is a navigation bar with the Poloniex logo on the left and links for EXCHANGE, MARGIN TRADING, and LENDING. On the right, there are buttons for "Sign in" and "Create an Account" with the text "to start trading." and a bell icon. Below the navigation bar, the main heading "WELCOME TO POLONIEX" is displayed in large, bold, sans-serif font. A subtext below it reads "We are a US-based digital asset exchange offering maximum security and advanced trading features." In the center of the page, a large text block says "Trade securely on the world's most active digital asset exchange." Below this text is a grey button with the text "Create Your Account". Underneath the button, a smaller text says "Already a member? [Sign in](#)." The background of the main content area is a light grey gradient.

# WELCOME TO POLONIEX

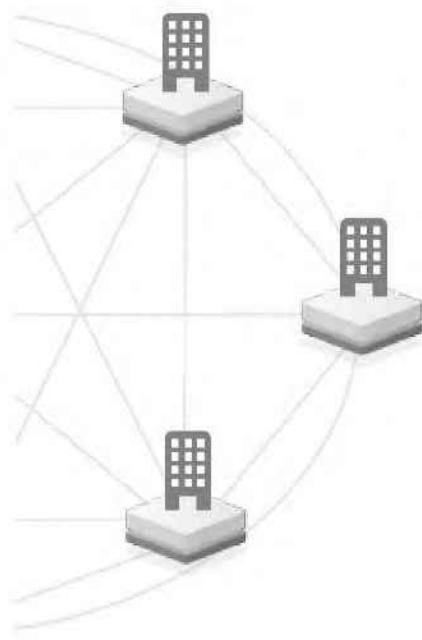
We are a US-based digital asset exchange offering maximum security and advanced trading features.

Trade securely on the world's most active digital asset exchange.

[Create Your Account](#)

Already a member? [Sign in](#).

## Moving Funds On and Off the XRP Ledger



**Gateways** are businesses that link the XRP Ledger to the rest of the world.

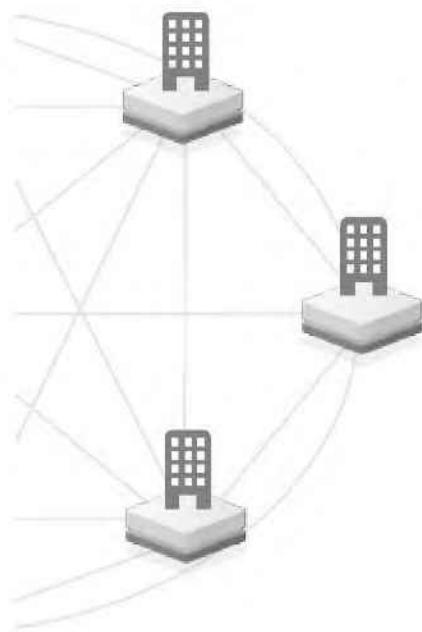
- **Issuing Gateway:** receives money (or other assets of value) outside of the ledger, and creates issuances in XRP Ledger.
- **Private Exchange:** holds XRP and lets its customers buy and sell that XRP in its own system.
- **MERCHANTS** accept payment within XRP Ledger in exchange for goods and services in the outside world.

## Merchants



66

## Moving Funds On and Off the XRP Ledger

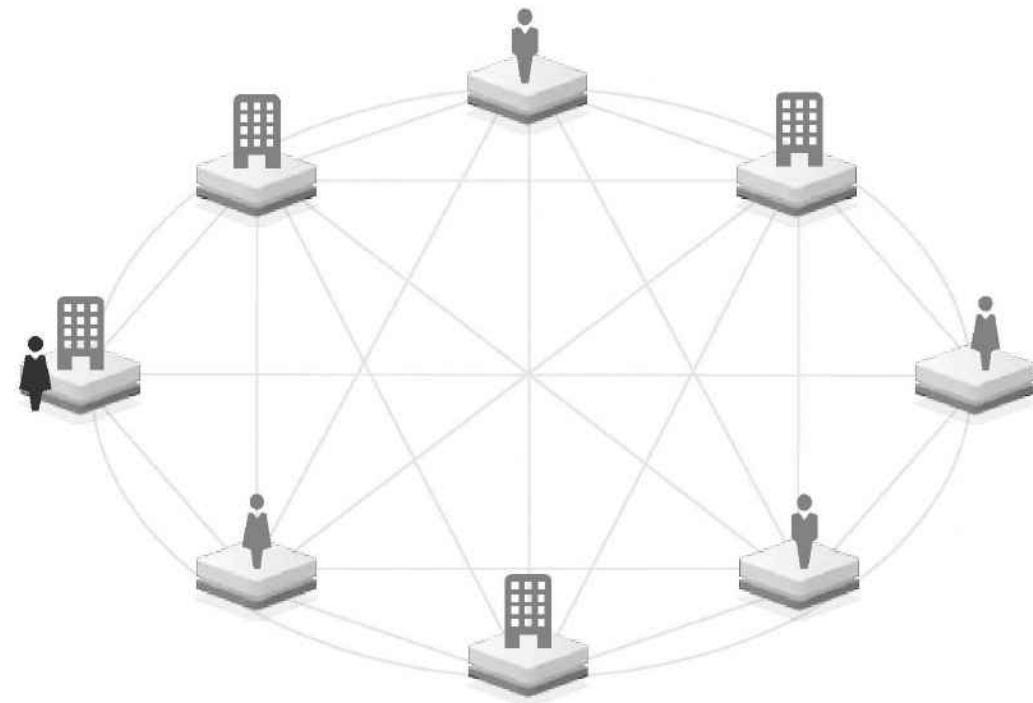


**Gateways** are businesses that link the XRP Ledger to the rest of the world.

- **Issuing Gateway:** receives money (or other assets of value) outside of the ledger, and creates issuances in XRP Ledger.
- **Private Exchange:** holds XRP and lets its customers buy and sell that XRP in its own system.
- **Merchants** accept payment within XRP Ledger in exchange for goods and services in the outside world.

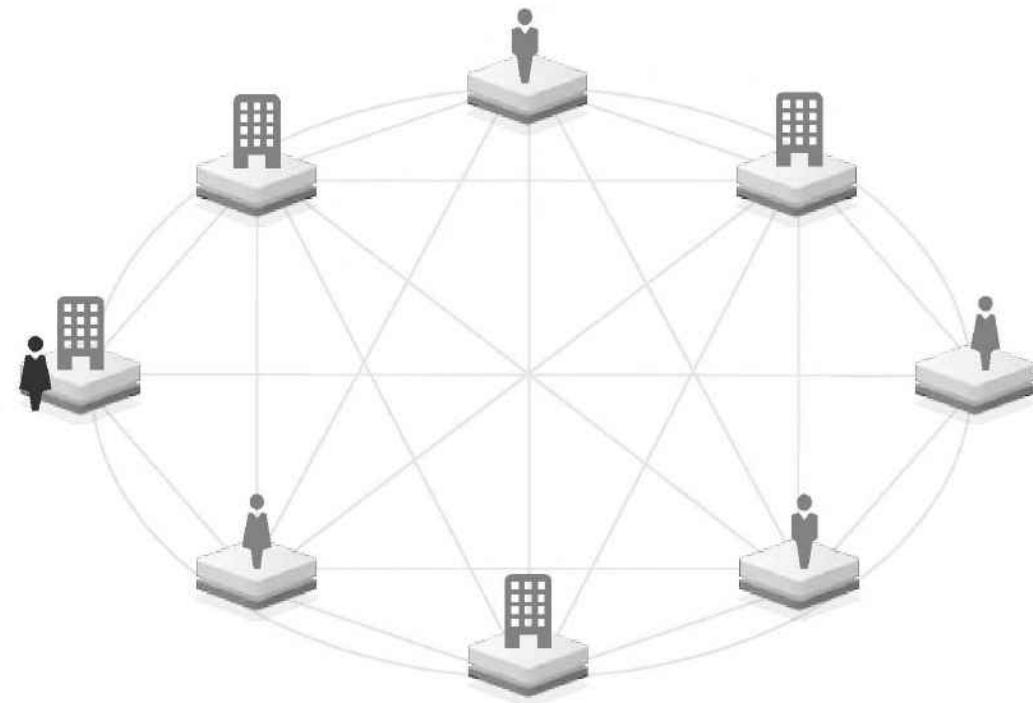
Gateways are responsible for complying with local regulations, including any applicable AML/KYC and reporting requirements.

## Transaction Example



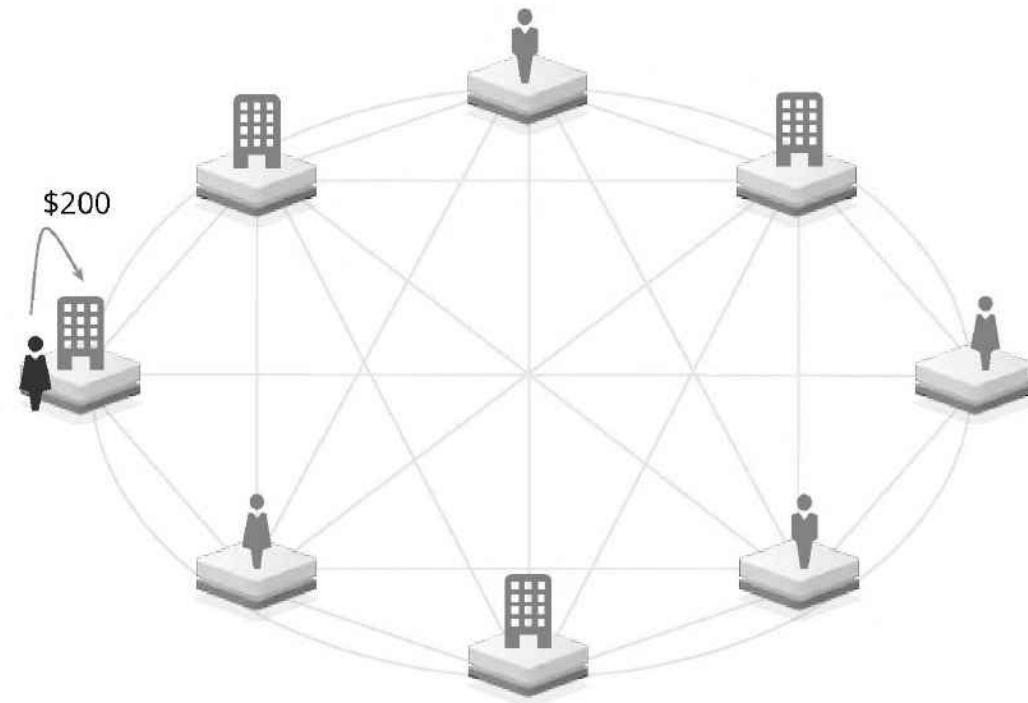
## Transaction Example - Setting Up a Wallet

- Alice opens an account at ACME Gateway



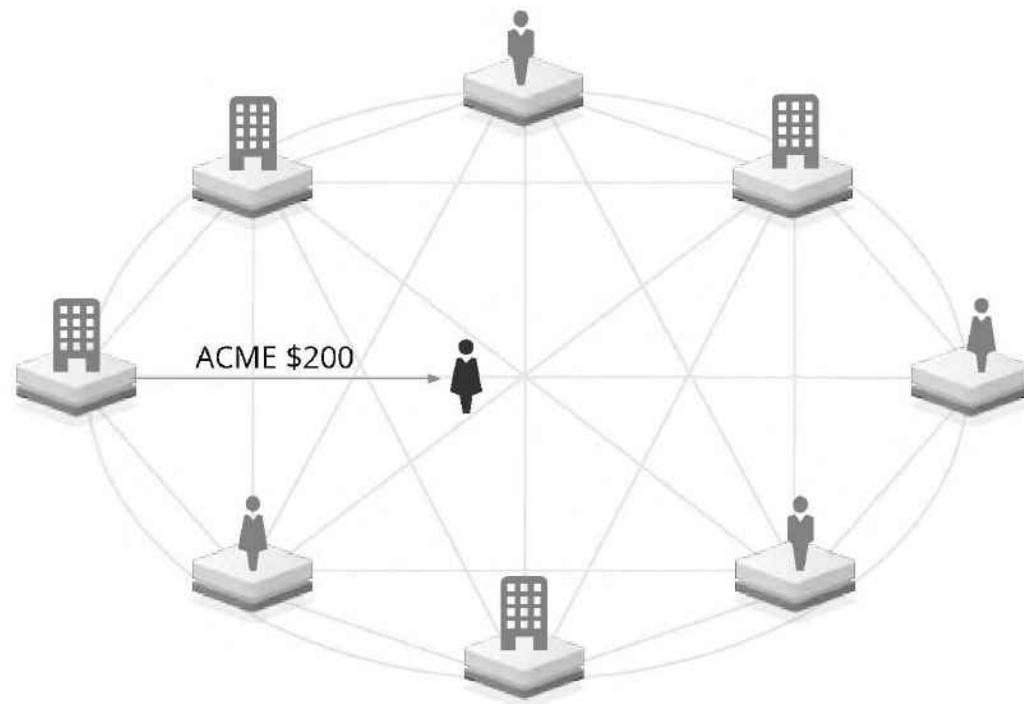
## Transaction Example - Depositing Funds

- Alice opens an account at ACME Gateway
- Alice transfers \$200 USD to ACME



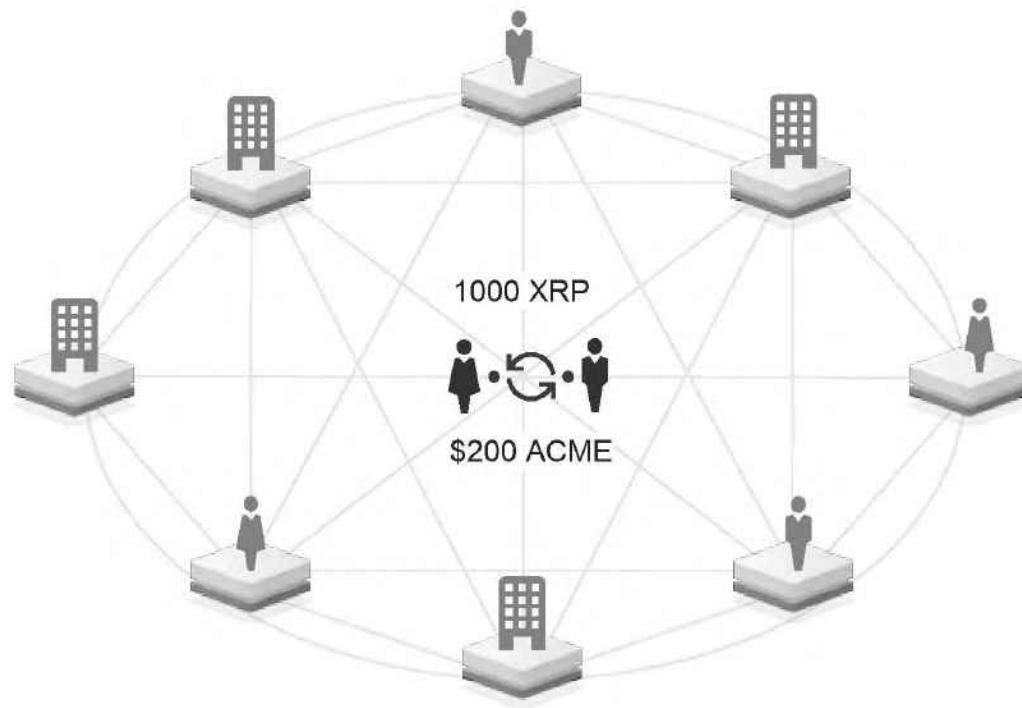
## Transaction Example - Gateway IOU Payment

- Alice opens an account at ACME Gateway
- Alice transfers \$200 USD to ACME
- ACME issues Alice an "IOU" for \$200 USD on XRP Ledger



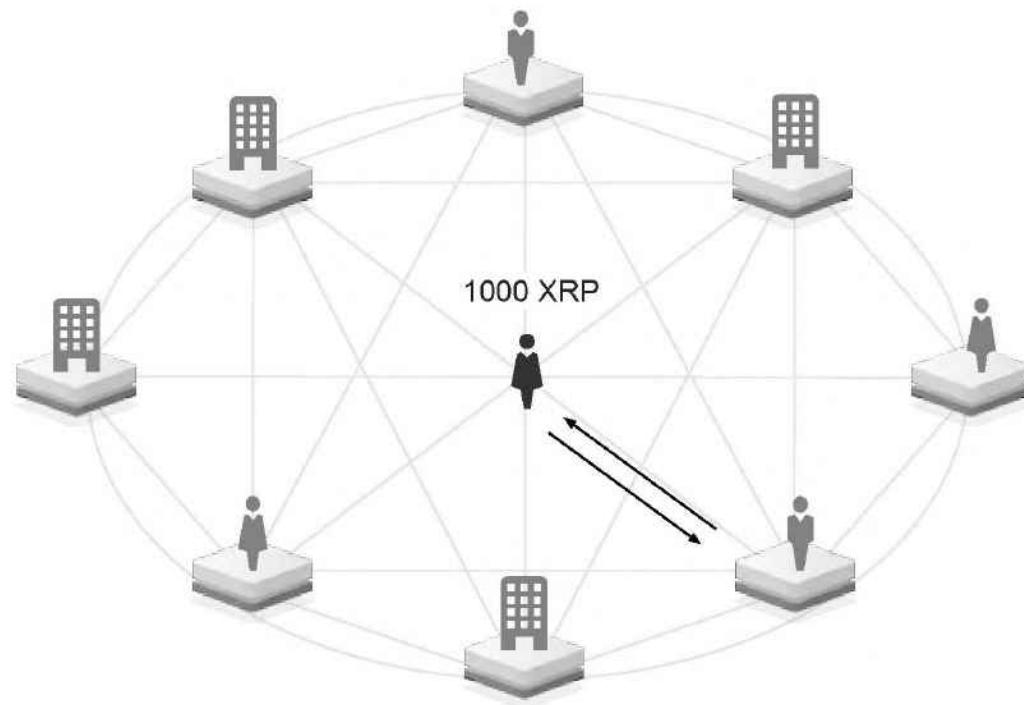
## Transaction Example - Trading on the XRP Ledger

- Alice opens an account at ACME Gateway
- Alice transfers \$200 USD to ACME
- ACME issues Alice an "IOU" for \$200 USD on XRP Ledger
- Alice exchanges her \$200 ACME-USD for 1000 XRP from Bob



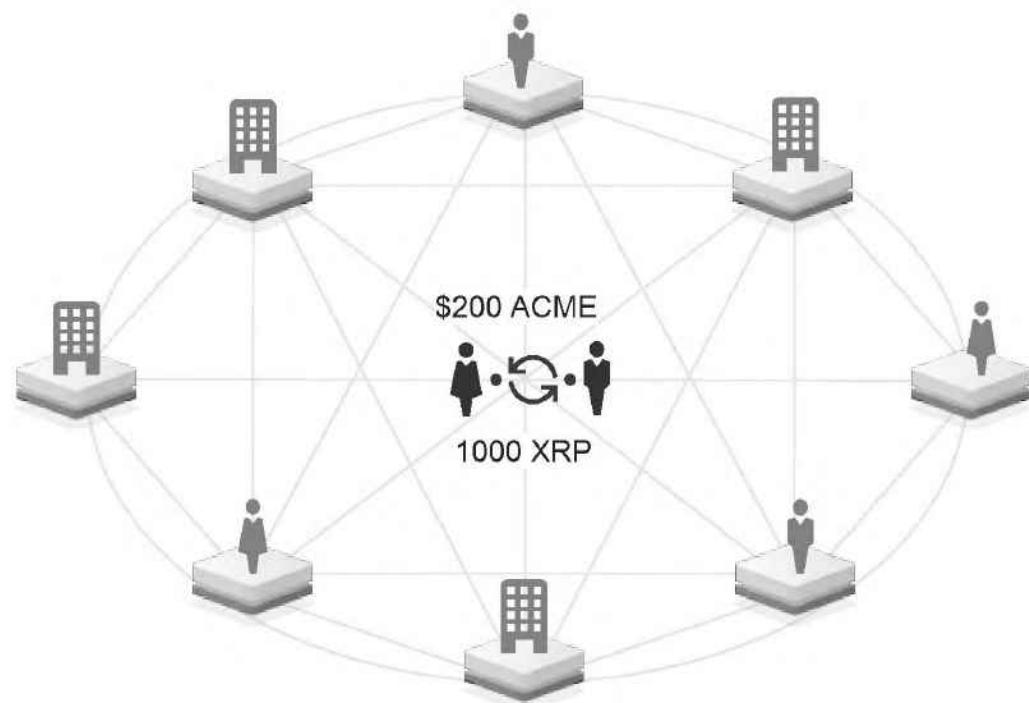
## Transaction Example - P2P Payment on the XRP Ledger

- Alice conducts payments and exchanges within XRP Ledger



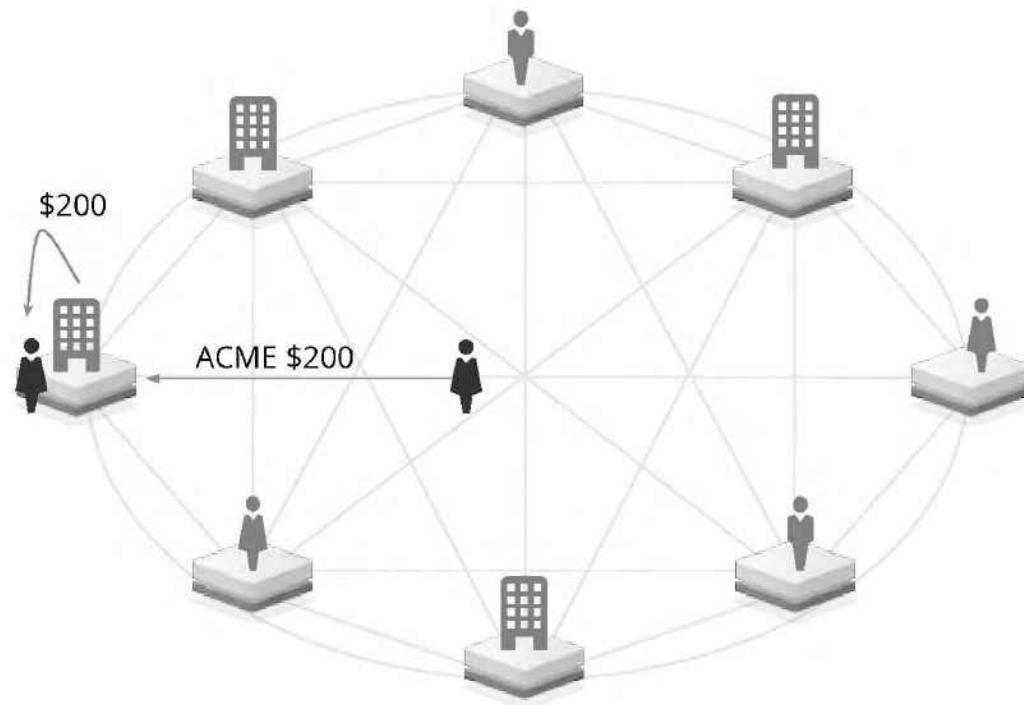
## Transaction Example - Trading on the XRP Ledger

- Alice conducts payments and exchanges within XRP Ledger
- When Alice is ready to “cash out,” she exchanges the XRP for ACME-issued currency



## Transaction Example - Withdrawing Funds

- Alice conducts payments and exchanges within XRP Ledger
- When Alice is ready to “cash out,” she exchanges the XRP for ACME-issued currency
- ...and sends it to ACME, who redeems the IOU for fiat currency outside of the ledger





# XRP Ledger Monitoring

---



76

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258249

## Monitoring for Suspicious Behavior on the XRP Ledger



UNITED STATES DEPARTMENT OF THE TREASURY  
**FinCEN**  
FINANCIAL CRIMES  
ENFORCEMENT NETWORK

HOME ABOUT ▾ RESOURCES ▾ NEWSROOM ▾ CAREERS ▾

Search

### FinCEN Fines Ripple Labs Inc. in First Civil Enforcement Action Against a Virtual Currency Exchanger



20150505.pdf

321.45 KB

Contact: Contact: Steve Hudak (703) 905-3770

Immediate Release: May 05, 2015

WASHINGTON, DC – The Financial Crimes Enforcement Network (FinCEN), working in coordination with the U.S. Attorney's Office for the Northern District of California (USAO-NDCA), assessed a \$700,000 civil money penalty today against Ripple Labs Inc. and its wholly-owned subsidiary, XRP II, LLC (formerly known as XRP Fund II, LLC). Ripple Labs willfully violated several requirements of the Bank Secrecy Act (BSA) by acting as a money services business (MSB) and selling its virtual currency, known as XRP, without registering with FinCEN, and by failing to implement and maintain an adequate anti-money laundering (AML) program designed to protect its products from use by money launderers or terrorist financiers. XRP II later assumed Ripple Labs' functions of selling virtual currency and acting as an MSB; however, like its parent company, XRP II willfully violated the BSA by failing to implement an effective AML

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

77

RPLI\_SEC 0258250

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

02

### STRUCTURING

Breaks up transactions to avoid known U.S. reporting thresholds

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

02

### STRUCTURING

Breaks up transactions to avoid known U.S. reporting thresholds

03

### XRP THEFTS

User reports that XRP has been stolen from his/her wallet



80

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

02

### STRUCTURING

Breaks up transactions to avoid known U.S. reporting thresholds

03

### XRP THEFTS

User reports that XRP has been stolen from his/her wallet

04

### FUNNELING

Many to one, one to many transactions through multiple wallets

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

02

### STRUCTURING

Breaks up transactions to avoid known U.S. reporting thresholds

03

### XRP THEFTS

User reports that XRP has been stolen from his/her wallet

04

### FUNNELING

Many to one, one to many transactions through multiple wallets

05

### PYRAMID SCHEMES

Third party sales of XRP or IOUs through illegal marketing schemes

## Monitoring for Suspicious Behavior on the XRP Ledger

01

### LAYERING

Uses multiple gateways to rapidly move funds in and out

02

### STRUCTURING

Breaks up transactions to avoid known U.S. reporting thresholds

03

### XRP THEFTS

User reports that XRP has been stolen from his/her wallet

04

### FUNNELING

Many to one, one to many transactions through multiple wallets

05

### PYRAMID SCHEMES

Third party sales of XRP or IOUs through illegal marketing schemes

06

### PHISHING SCHEMES

Emails and websites designed to compromise user wallets

## Public Posts of Suspicious Activity

---

Attempting to connect potentially illegal activity identified in public forums to wallets and transactions on the XRP Ledger



## User-reported XRP Thefts

---

Analyzing patterns in user-reported thefts to uncover common culprits and their techniques on the XRP Ledger





# Investigation Case Study #1

---





2015

## First Alert

---

A user of the XRP Ledger (“victim”) reports a theft of 1 million XRP



2015

## First Alert

---

The victim, based in Japan, reports receiving unsolicited emails with 2FA codes



2015

## First Alert

---

Ripple's investigation finds two other XRP theft reports naming the same counterparty wallet ("suspect")

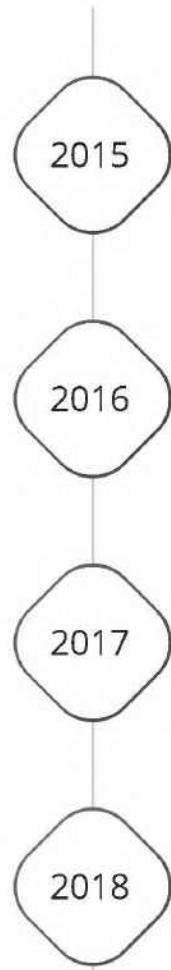


## Ongoing Investigation

---

Over the next 30+ months, Ripple has continued to investigate this suspect's wallet along with other associated wallets





## Ongoing Investigation

---

Over the next 30+ months, Ripple has continued to investigate this suspect's wallet along with other associated wallets

- No KYC information (suspect is not a Ripple customer)





FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258265

117

user-reported thefts

---



FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258266

117

user-reported thefts

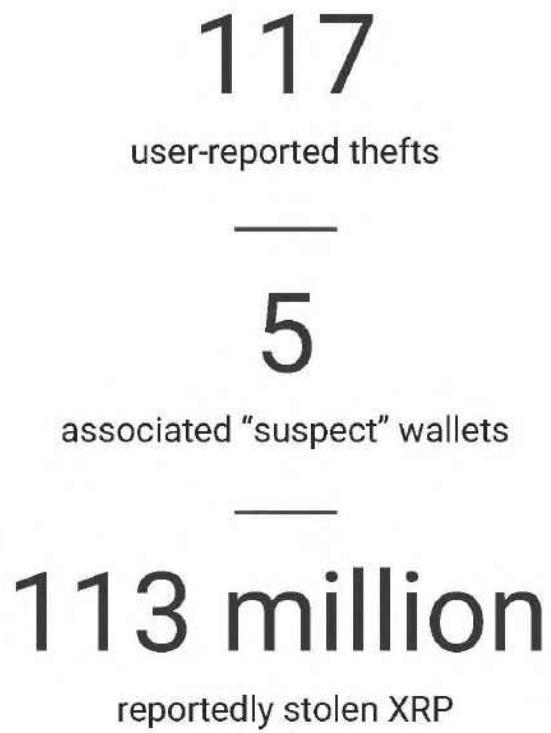
---

5

associated "suspect" wallets

---







XRP received by suspect wallets between 2015 and 2017



# 261,960,469

XRP received by suspect wallets between 2015 and 2017



→ \$4 million (at time of thefts)

**261,960,469**

XRP received by suspect wallets between 2015 and 2017



→ \$225 million (in today's XRP value)

**261,960,469**

XRP received by suspect wallets between 2015 and 2017



## Flow of Funds

---



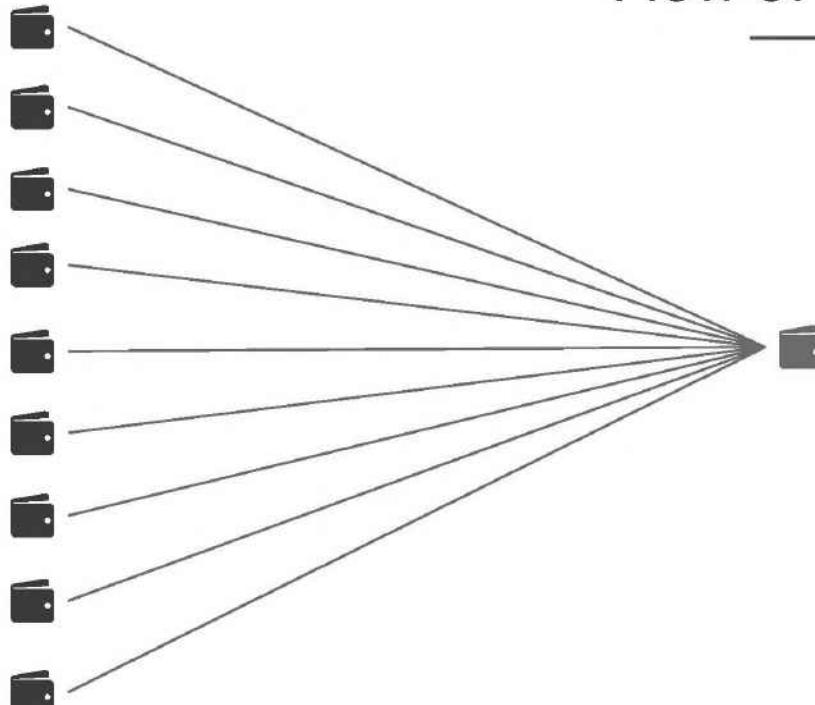
100

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258273

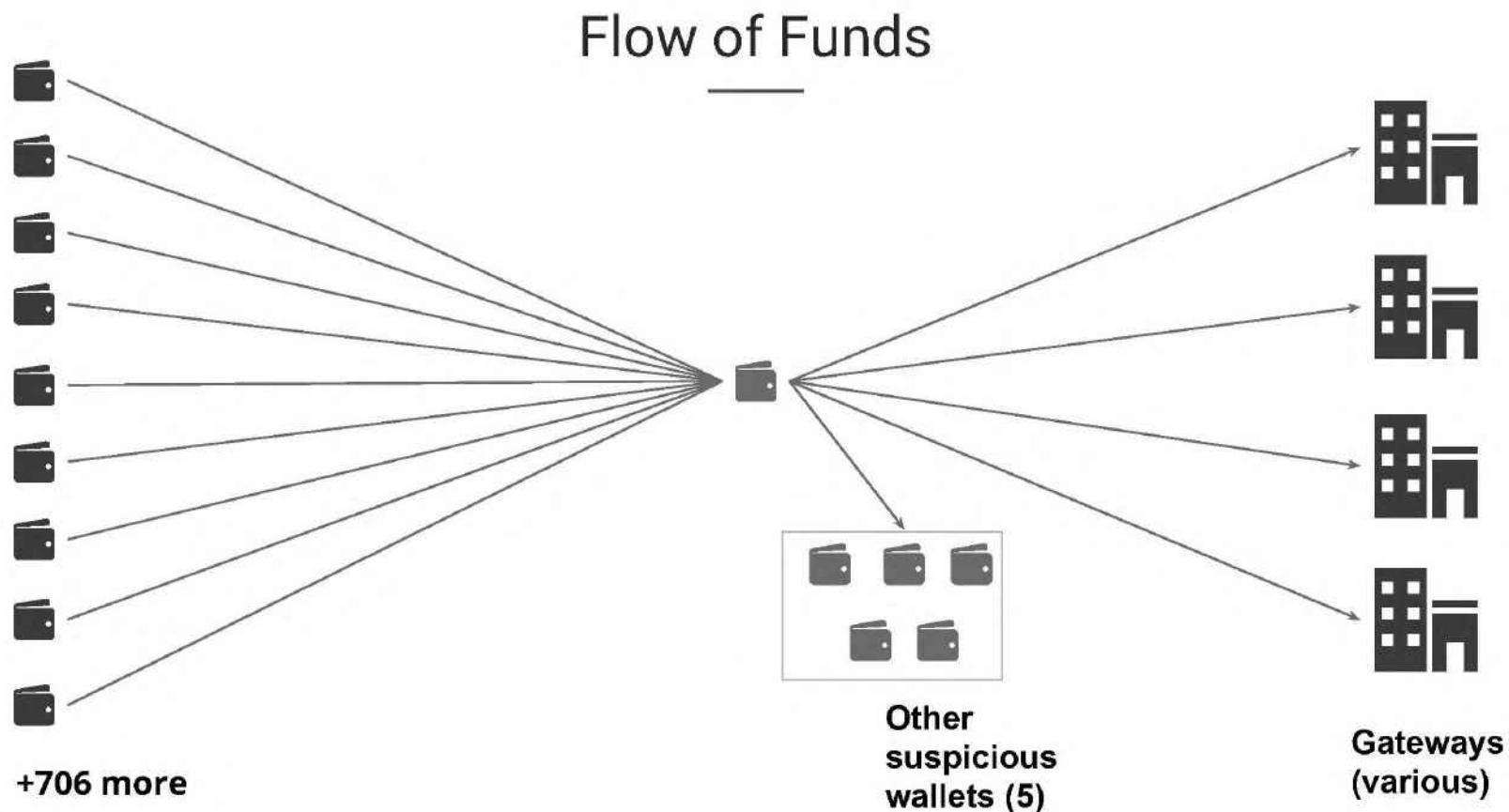
## Flow of Funds

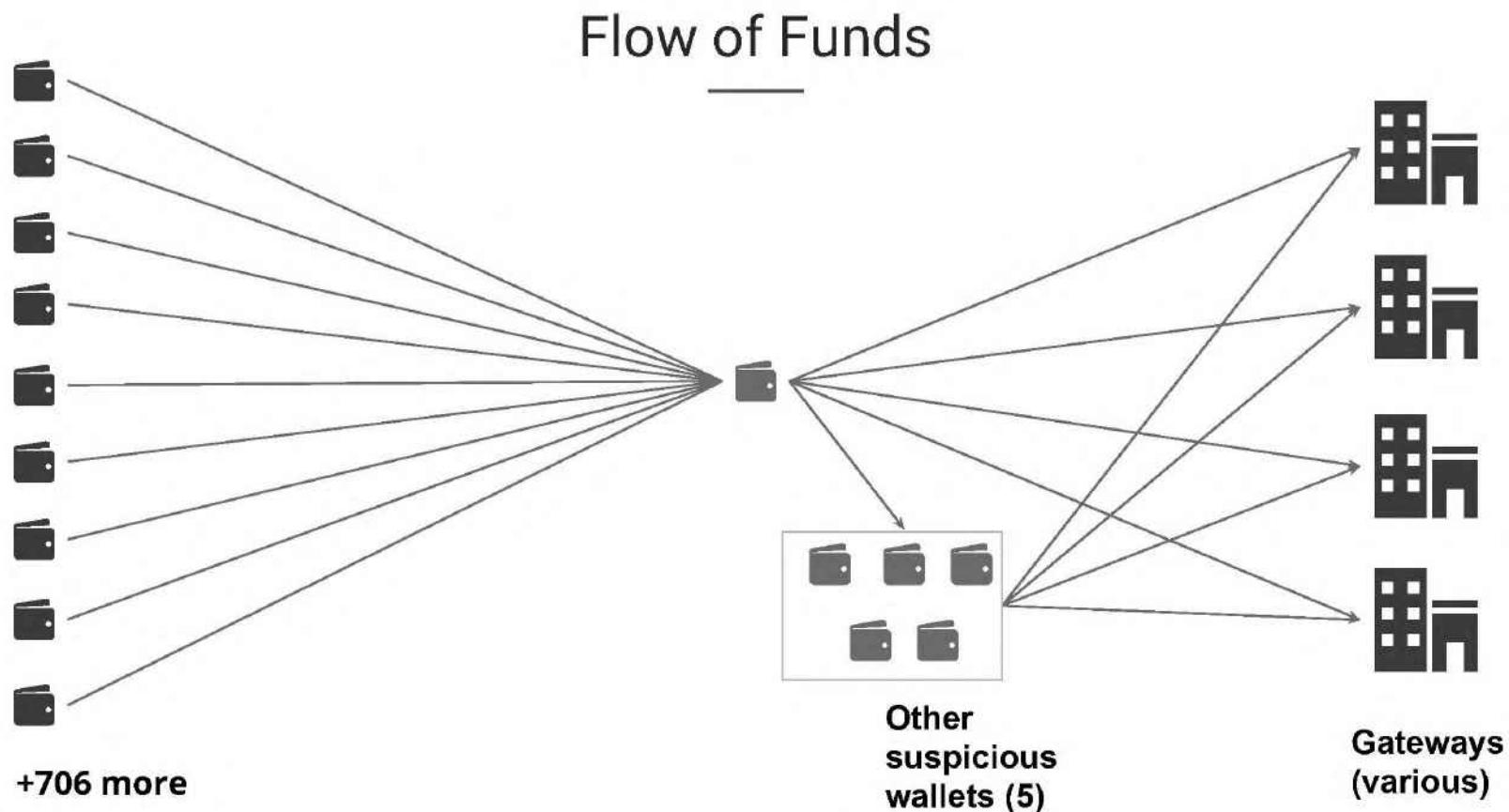
---

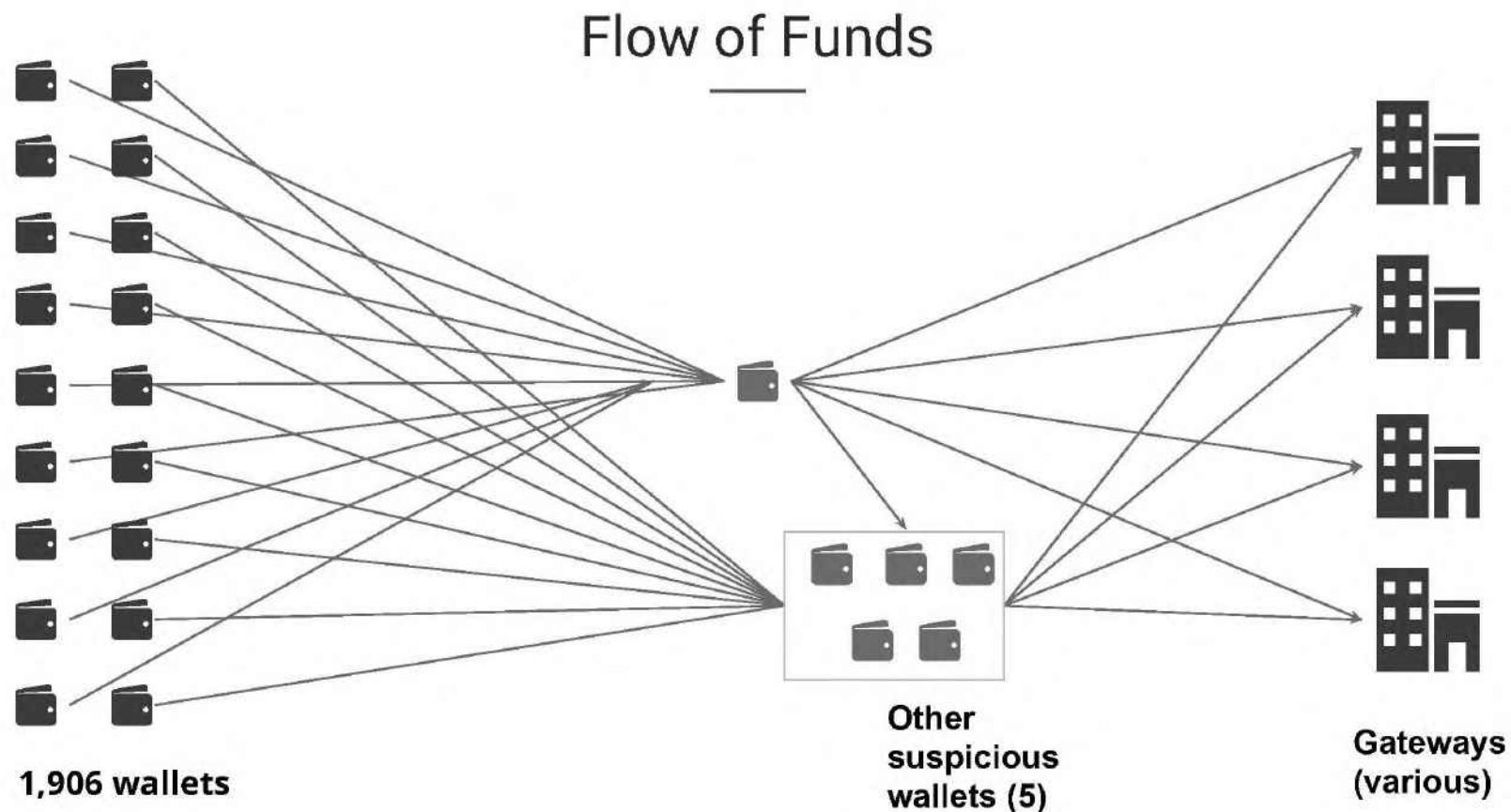


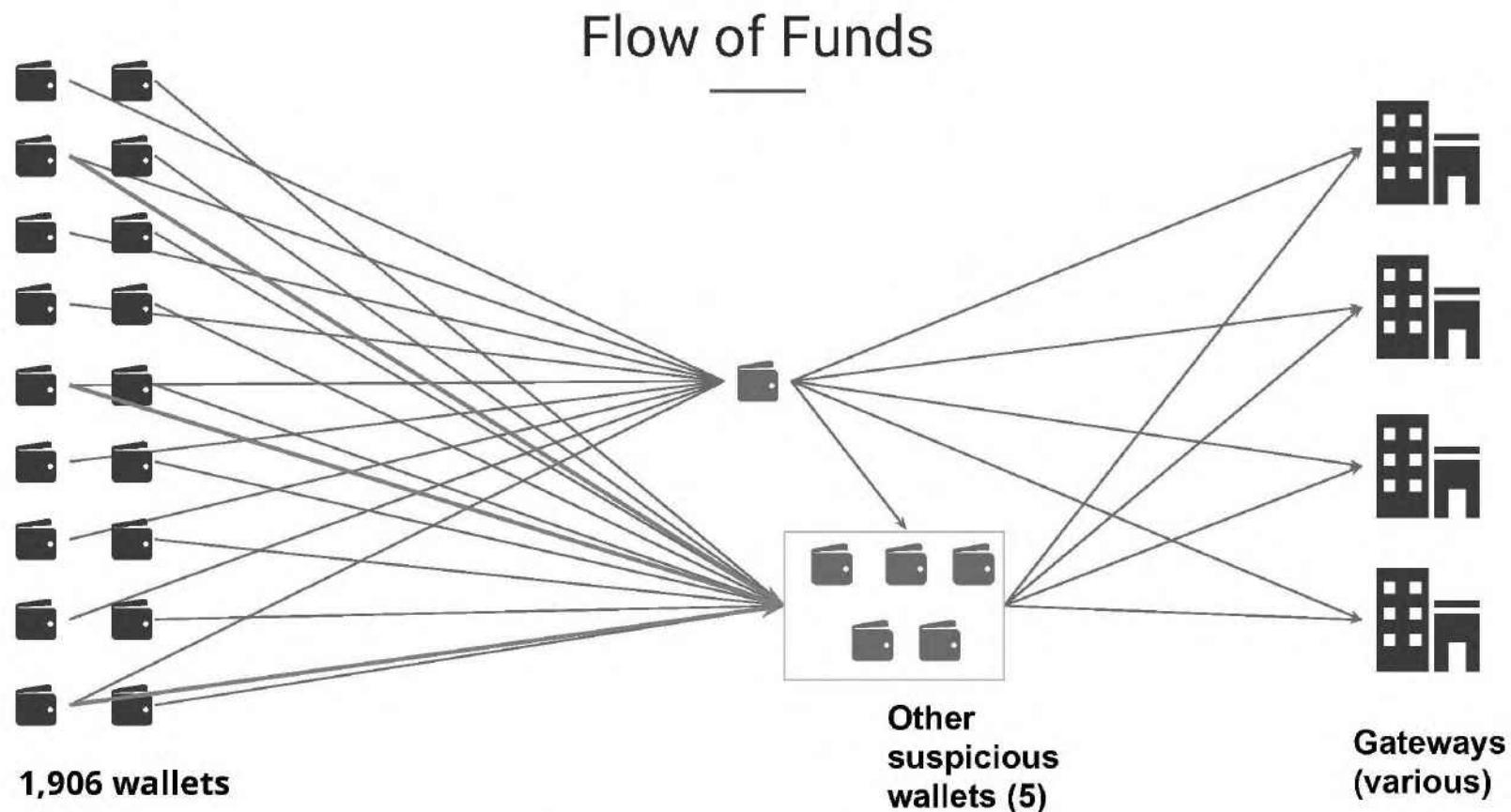
**+706 more**



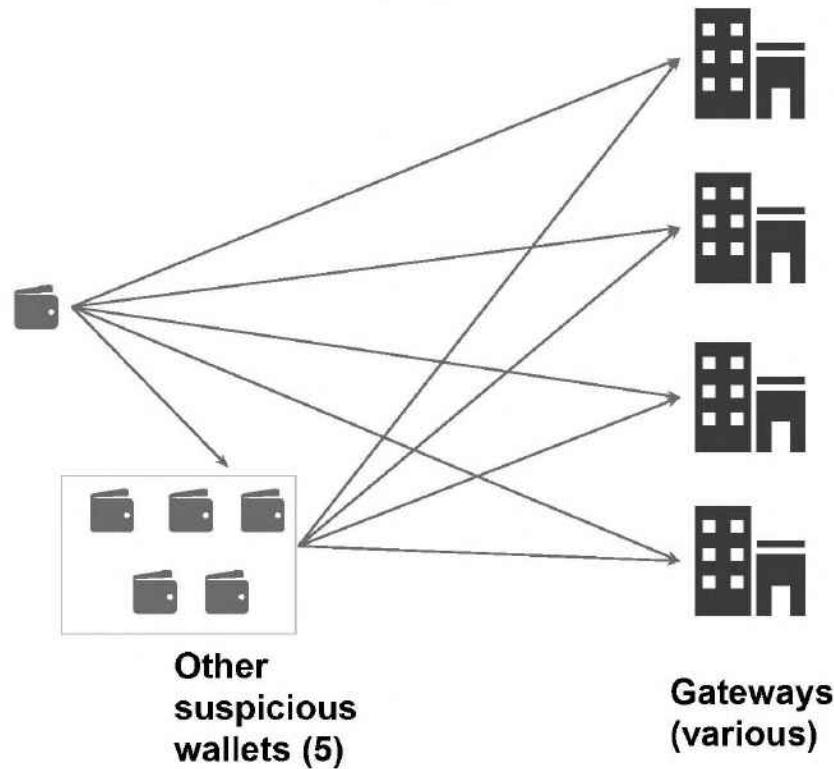


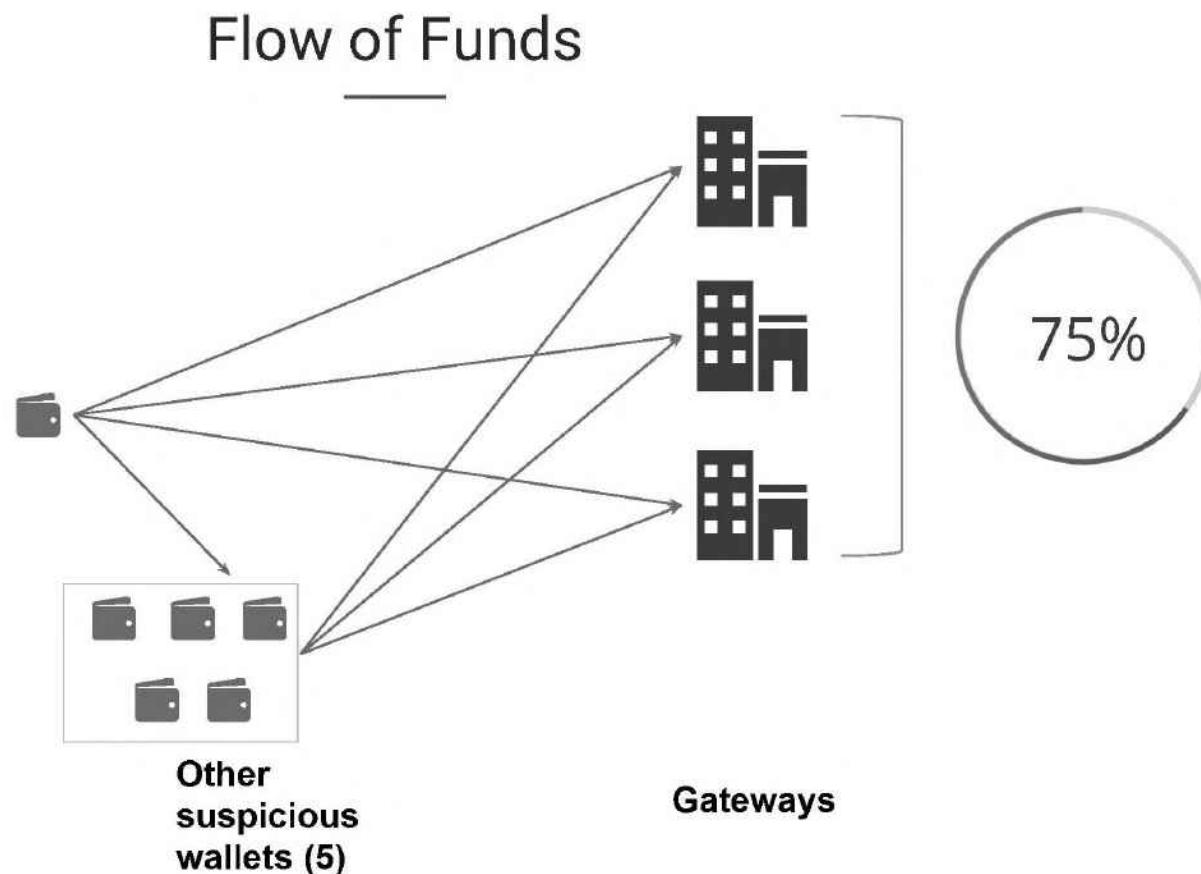




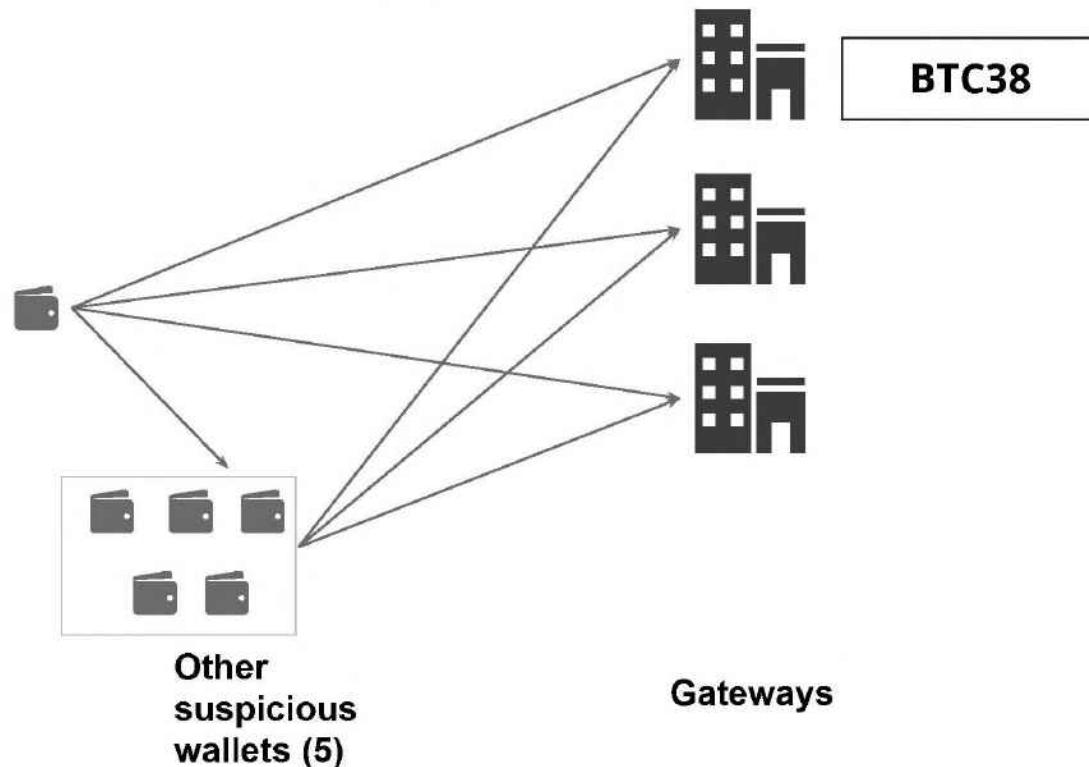


## Flow of Funds





## Flow of Funds



# BTC38.com (Chinese Gateway)

www.btc38.com

## 比特币

关于开启讯链币INF交易服务的公告

**头条** BCC正式产出 日本交易所积极态度居多

日本财务省制定严格规则已完成对比特币交易所监管

日本部分比特币交易所恢复存款和提币的业务

**专题** 你所需要知道的比特币分叉全在这里了

三大印度比特币交易所表示其将不支持BCC

评论文章：近期出现在大众面前的BCC价值在哪里

**【行情】**BCC自上线以来一度达到200%涨幅

一种被称为“比特币现金”(Bitcoin Cash)的新数字货币价格快速上涨。比特币现金由比特币分叉而来，我

**【评论】**BTC是郁金香泡沫还是金融发展里程碑

**【技术】**个人数据安全是Authorizer.io主要任务

**资本公司主席马克斯：比特币是“金融天真”和“一厢情愿”的产物**

在比特币等数字资产不断风靡的背景下，一些老牌资本公司的主要负责人或发表了迥异

**中财办副主任：下半年要防止系统性金融风险**

据相关媒体报道，7月27日，国务院新闻办就当前经济形势举行新闻发布会。在发布会

**竞争币**

[EMC]EMC独创脚本可让公链免受未授权攻击 08/03

[NEM]NEM基金会与澳企联合创建NEM交易平台 08/02

[TAG]热浪来袭 币浪联手悬赏送清凉 07/29

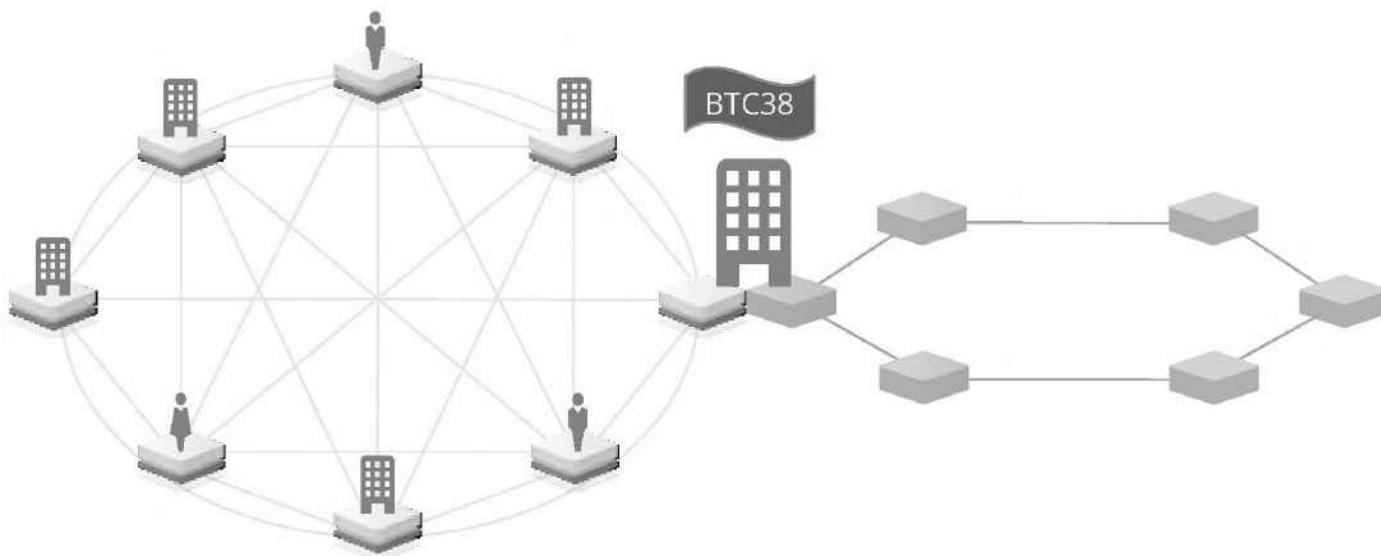
[ETH]Ambrosus将用利用ETH跟踪食品供应 07/28

1 2 排序

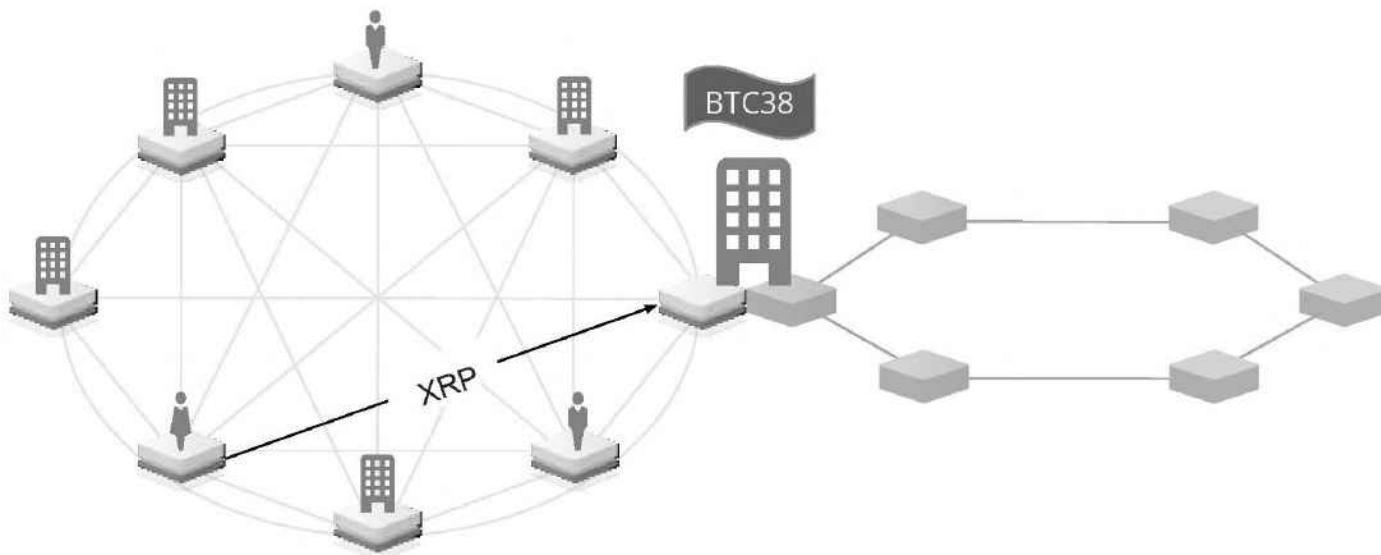
比特币BTC	18220.1	+0.0%
莱特币LTC	288.00	-1.1%
狗狗币DOGE	0.01192	+0.2%
以太币ETH	1494.0	-1.6%
以太经典ETC	99.15	-1.6%
瑞波币XRP	1.1610	-2.4%
比特股BTS	0.9170	+2.5%
恒星币XLM	0.1220	+3.6%
未来币NXT	1.160	+20.1%
阿朵ARDR	0.9792	+1.9%
黑币BLK	1.718	+2.3%
新经币YEM	1.4210	+7.2%

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC. RPLI\_SEC 0258282

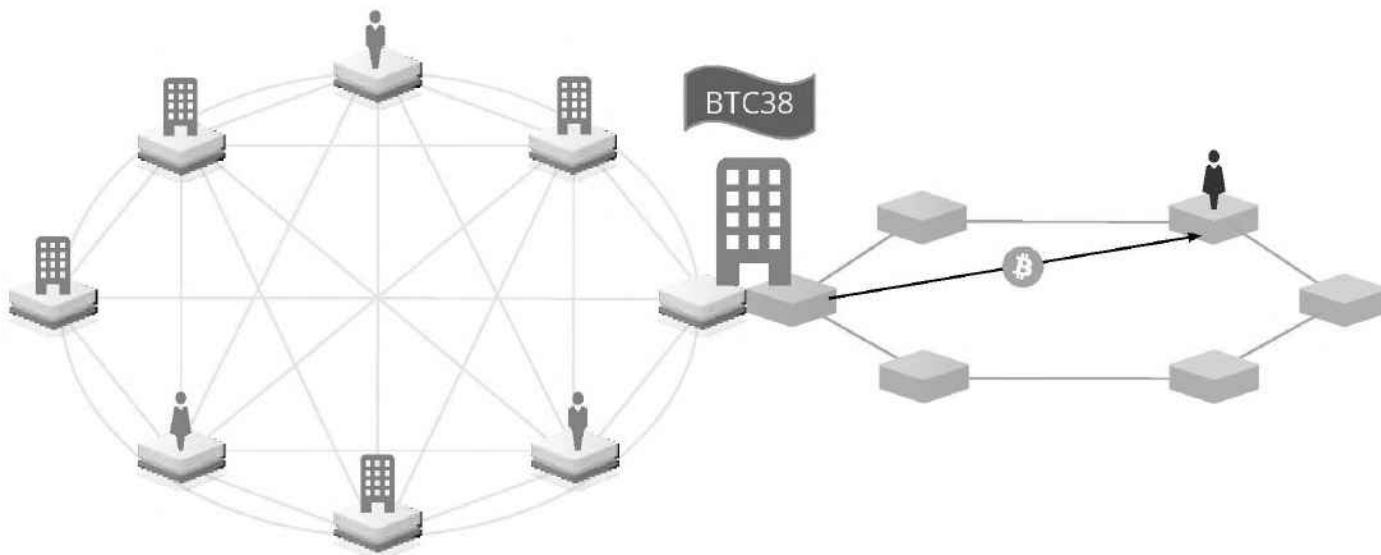
## BTC38.com as a “Bridge” Gateway



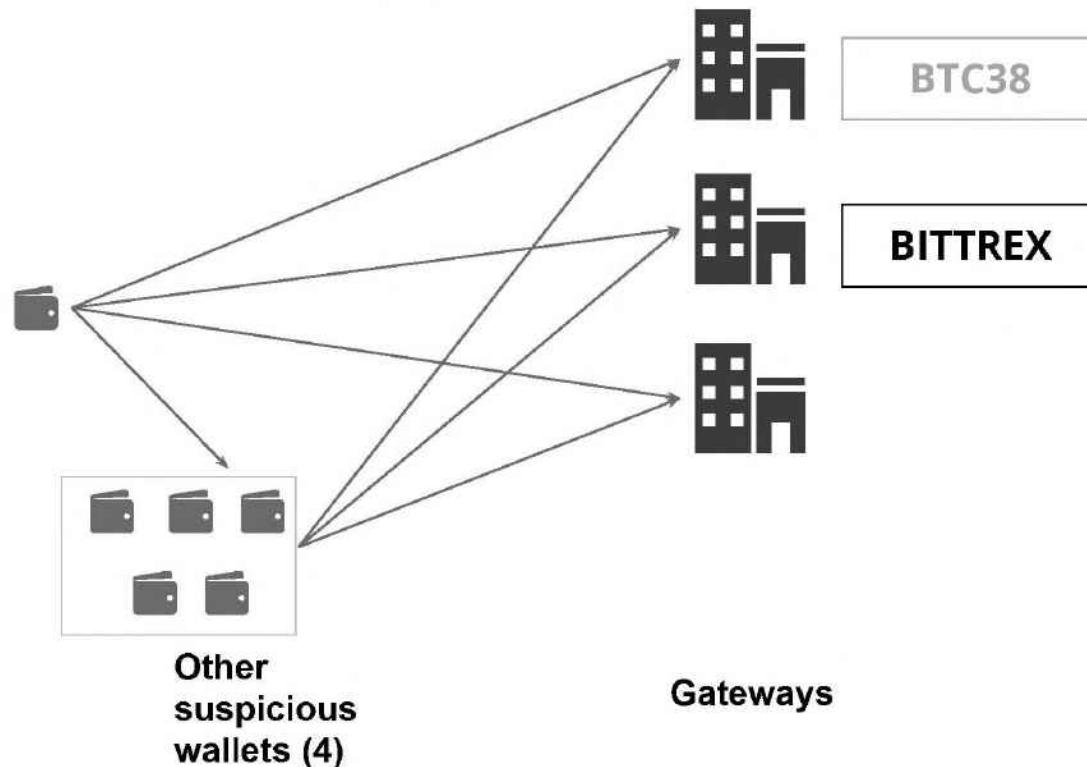
## BTC38.com as a “Bridge” Gateway



## BTC38.com as a “Bridge” Gateway



## Flow of Funds



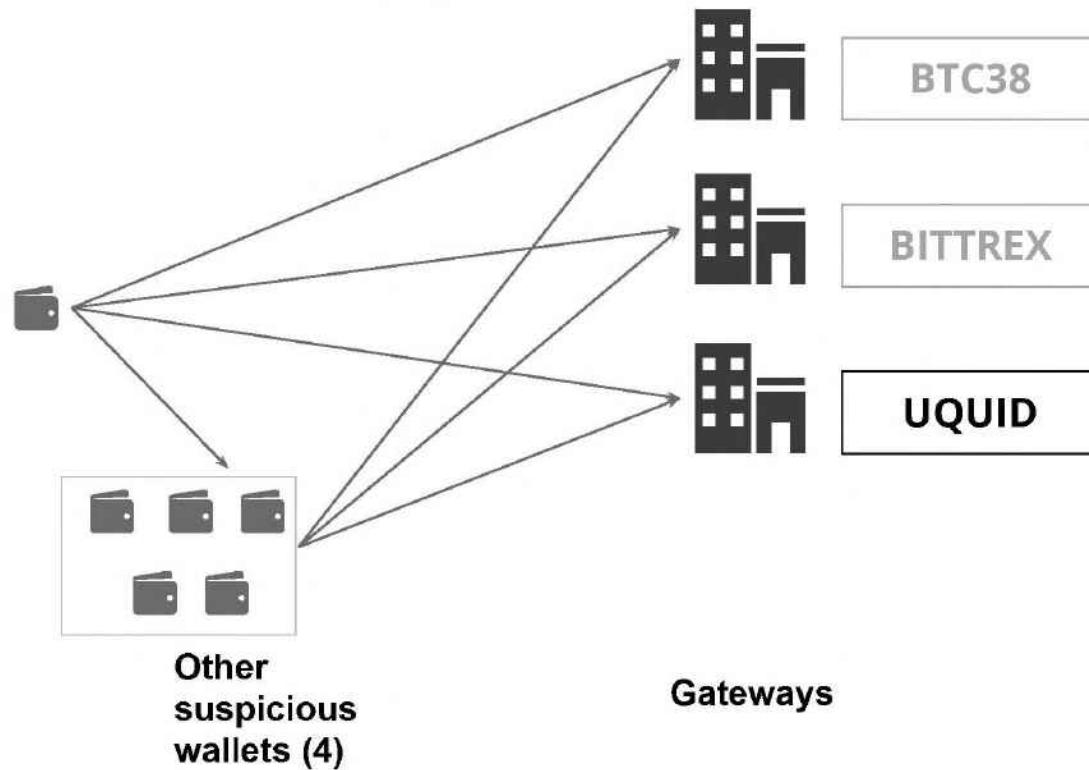
## Bittrex (U.S.)

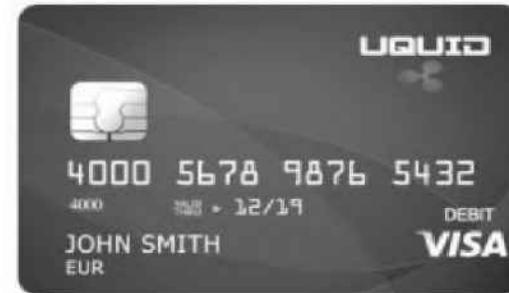
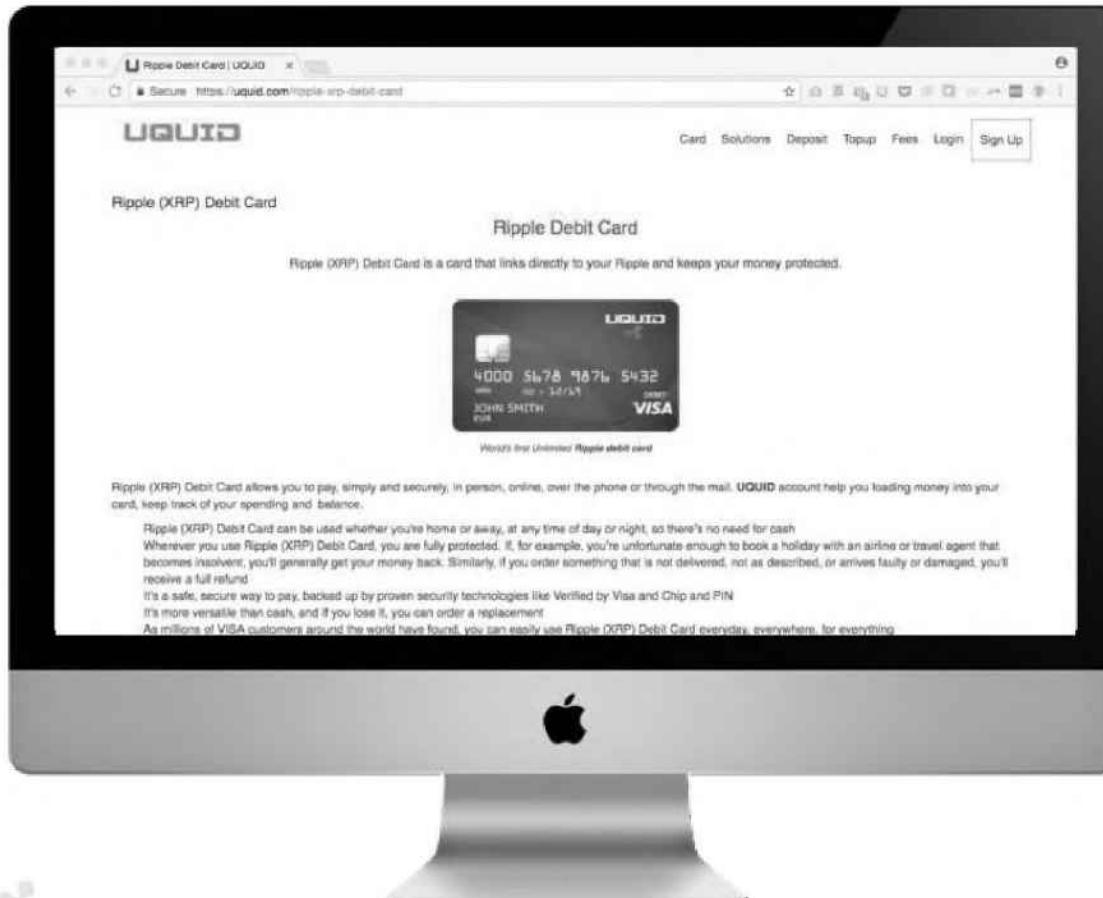


FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

14  
RPLI\_SEC 0258287

## Flow of Funds





*World's first Unlimited Ripple debit card*

**"You can easily use Ripple (XRP) Debit Card everyday, everywhere, for everything."**



[Card](#) [Solutions](#) [Deposit](#) [Topup](#) [Fees](#) [Login](#) [Sign Up](#)

## 5 Reasons to choose Ripple debit card



### NO FEE DEPOSIT

Instant load with 0% fee



### ANONYMOUS

We do not require for ID or verification.



### MULTI CARDS BUY SUPPORT

You can get unlimited cards with only 1 UQUID account



### FAST AND FREE DELIVERY

Our card ships free to 178 + countries with no fees. Typically within 2-3 working days



### AVS MATCHING

Get Easy for shopping at Amazon, Uber, Skrill, Just-Eat, Deliveroo ...

[JOIN FOR FREE](#)



## Features and limits

There are some standard usage limits for our Uquid Visa Cards:

### Rules

#### POS Rules

Number of purchases	Per day
Value of purchases	Per day

#### ATM Rules

Number of ATM transactions	Per day
Value of ATM withdrawal	Per ATM Transaction
Value of ATM withdrawal	Per day
Maximum ATM withdraw	Lifetime

#### Loading Rules

Max any daily load	Per Day	\$2,500	€2,500	£2,000	\$20,000	€20,000	£16,000
Max any lifetime load	Lifetime	\$2,500	€2,500	£2,000	no limit	no limit	no limit

#### Number of loads

Number of loads	Per Day	2	2	2	no limit	no limit	no limit
-----------------	---------	---	---	---	----------	----------	----------

#### Unloads Rules

Maximum Total Unloads (All Channels)	Lifetime	\$1,000	€1,000	£1,000	no limit	no limit	no limit
--------------------------------------	----------	---------	--------	--------	----------	----------	----------

#### Bank Loads (Direct from Bank)

Max single load	Per Transaction			\$5,000	€5,000	£4,000	
Max daily load	Per Day			\$5,000	€5,000	£4,000	

### Acceptable ID documents include:

Driving license

Passport

Government issued ID card

### Acceptable proof of residence documents include:

Utility bill (electricity, internet, water, phone etc...)

Credit card bill

Your proof of residence must not be more than 3 months old and in English

10001696 10002418 10006242 10008673 10008830 10009004 10009233 10009795 10010035 10011767 10011921 10014208 10014360  
10001697 10002419 10006243 10008674 10008831 10009005 10009234 10009797 10010037 10011768 10011922 10014210 10014361  
10001698 10002420 10006244 10008675 10008833 10009006 10009236 10009798 10010038 10011769 10011923 10014211 10014362  
10001699 10002421 10006245 10008676 10008834 10009007 10009237 10009801 10010040 10011775 10011924 10014213 10014363  
10001700 10002549 10006246 10008678 10008835 10009008 10009249 10009802 10010041 10011776 10011925 10014214 10014364  
10001701 10002678 10006247 10008679 10008837 10009011 10009278 10009803 10010042 10011777 10011926 10014215 10014365  
10001702 10002679 10006248 10008680 10008839 10009012 10009279 10009805 10010044 10011778 10011927 10014216 10014366  
10001703 10002680 10006249 10008682 10008844 10009017 10009281 10009808 10010045 10011779 10011929 10014217 10015969  
10001704 10002682 10006250 10008683 10008847 10009019 10009282 10009809 10010046 10011781 10011930 10014218 10015970  
10001705 10002683 10006251 10008685 10008849 10009021 10009283 10009811 10010049 10011783 10011931 10014219 10015972  
10001706 10002684 10006252 10008686 10008851 10009022 10009284 10009814 10010050 10011785 10011932 10014220 10015973  
10001707 10002685 10006253 10008687 10008853 10009023 10009285 10009816 10010051 10011790 10011934 10014223 10015974  
10001708 10002686 10006254 10008688 10008854 10009027 10009286 10009817 10010053 10011791 10011935 10014225 10015976  
10001709 10002687 10006255 10008689 10008855 10009030 10009287 10009824 10010054 10011792 10011939 10014226 10015977  
10001710 10002688 10006256 10008691 10008857 10009032 10009288 10009845 10010055 10011794 10011940 10014227 10015978  
10001711 10002689 10006257 10008692 10008859 10009034 10009290 10009851 10010056 10011795 10011941 10014228 10015980  
10001712 10002690 10006258 10008693 10008861 10009036 10009291 10009863 10010058 10011796 10011942 10014229 10015981

1753  
destination tags

## Structuring Below Identification Thresholds

One of UQUID's identity verification tiers starts at \$1,000 USD.



## Investigation Case Study #2

---

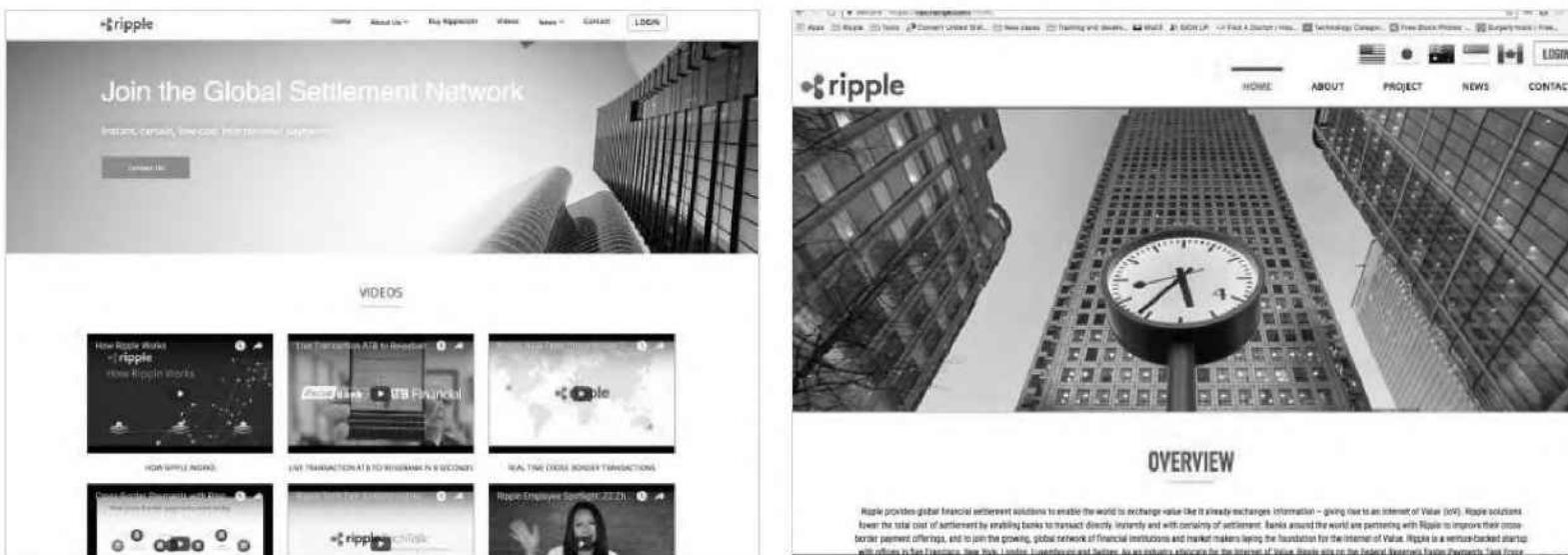


122

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258295

# Ripple Identifies Copycat Websites



123

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258296

## Ripple Identifies Copycat Websites



### Initial Research:

- No information regarding how XRP is sold
- No XRP Ledger address(es) listed on site
- Domain registration anonymous
- Google search for generic email address rendered no matches

## Connecting the Dots via OSINT



"VLOG: Buying another  
100USD Ripple Coin | Ripple  
Network"



125

## Connecting the Dots via OSINT



126

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

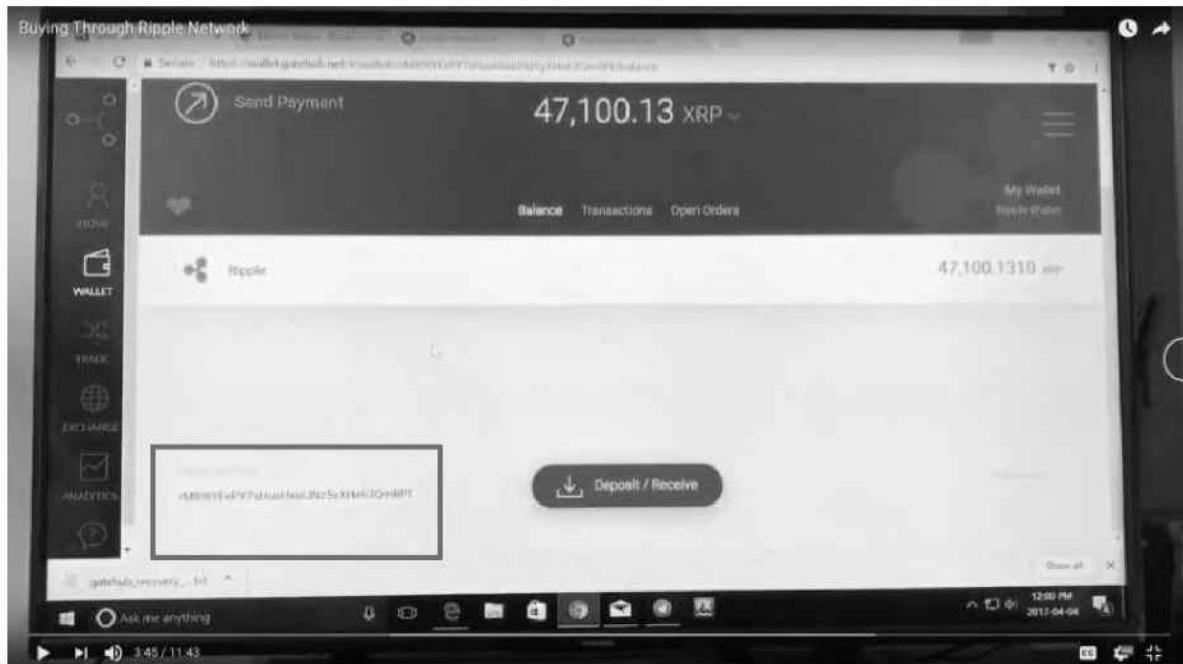
RPLI\_SEC 0258299

## Connecting the Dots via OSINT

The missing  
piece, uncovered

---

The XRP Ledger  
wallet address is  
briefly provided in  
the video



127

## Connecting the Dots via OSINT

h.q.n.huy@gmail.com is associated to this person

Name	Huy Nguyen	is associated with 100+ domains
Organization	Hqn Limited	
Address	5243 ASTWELL AVE.	<a href="#">map</a>
City	MISSISSAUGA	
State	ONTARIO	
Country	Canada	
Phone	+1.6478618809	
Fax	+1 801 765 9400	
Private	no	

One of Two Individuals Identified

---

Email address and physical address seen in video match that of a "Huy Nguyen" in Canada



128

## Connecting the Dots via OSINT

### Uncovering More through Social Media

An Instagram account for a "Leon Pereira" uncovers photos evidencing misrepresentation



129

## Connecting the Dots via OSINT



### Identifying the Relationship

Another Instagram post by Leon Pereira finds potential match to "Huy Nguyen"



## Connecting the Dots via OSINT

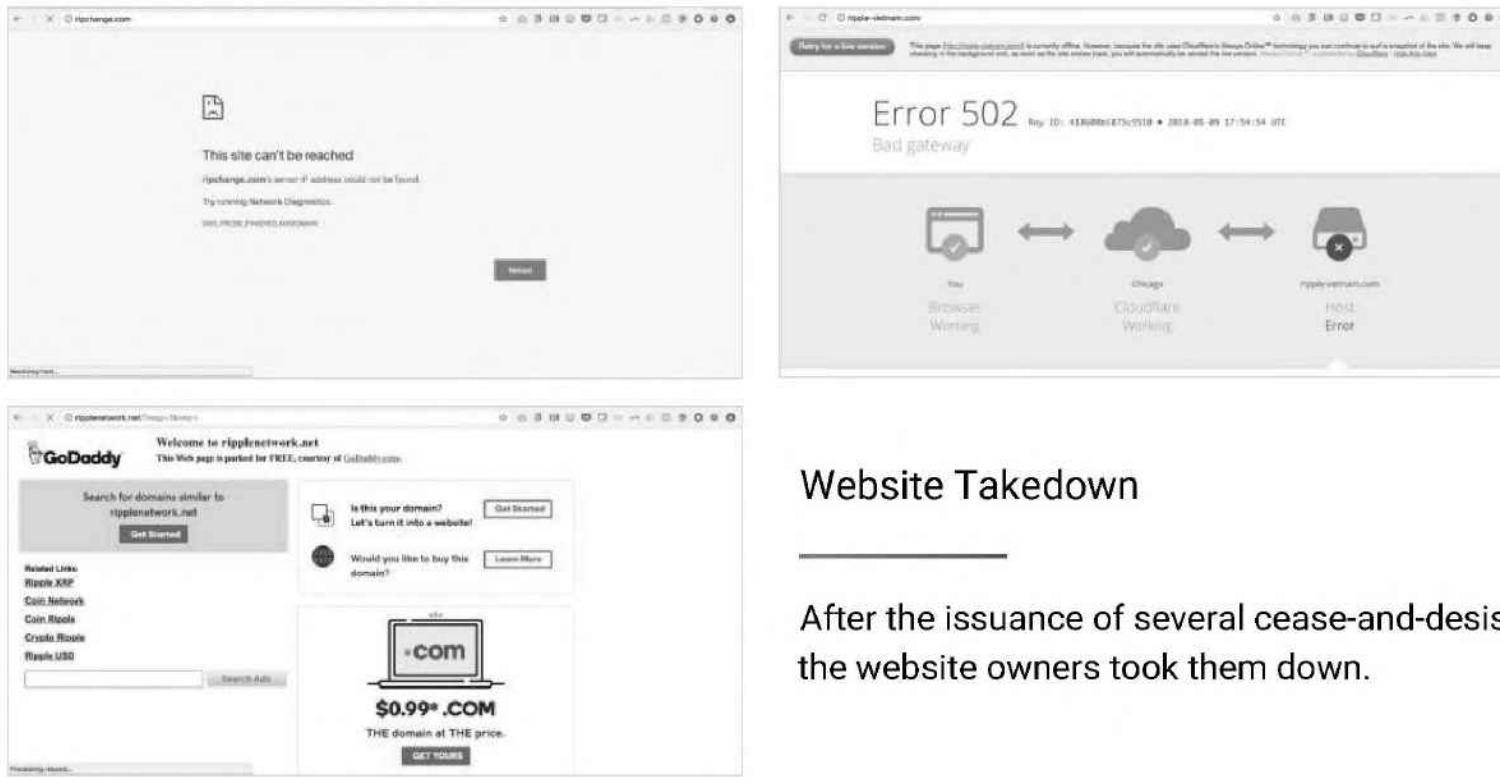


### Identifying the Relationship

An account appearing to match Huy Nguyen posts similar photos evidencing misrepresentation



## Action & Resolution



### Website Takedown

After the issuance of several cease-and-desists, the website owners took them down.



**\$1,937,897**

worth of transactions in XRP and BTC between November 2016 and May 2017



## Investigative Challenges



134

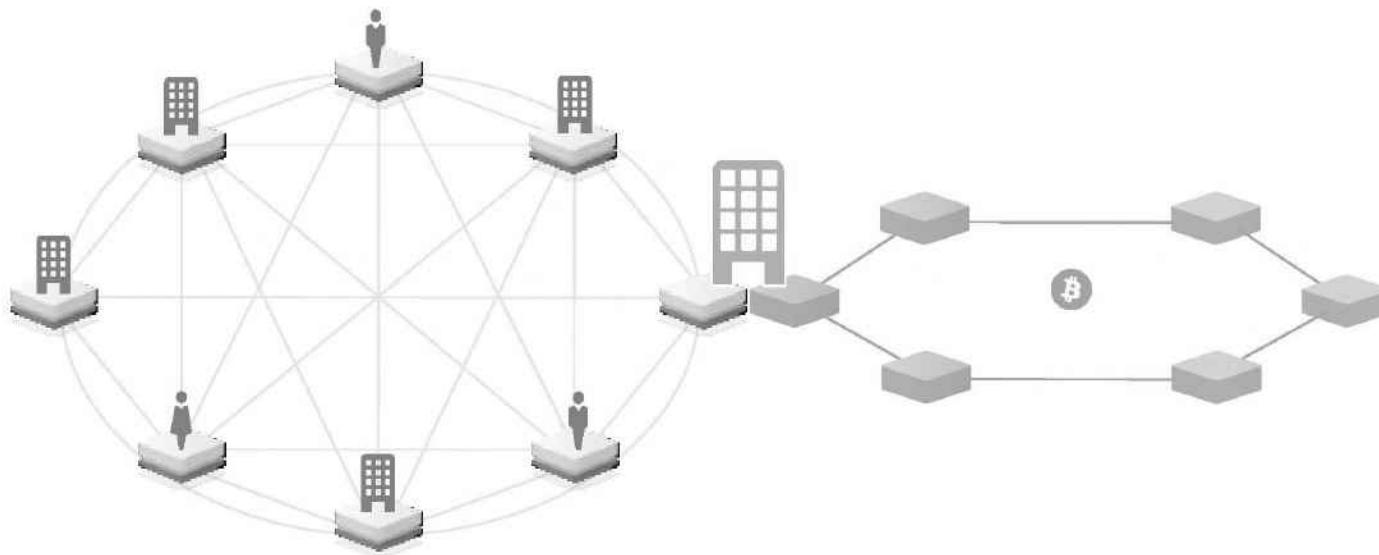
FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258307

## Investigative Challenges

1

Off-Ledger is a Black Box



FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

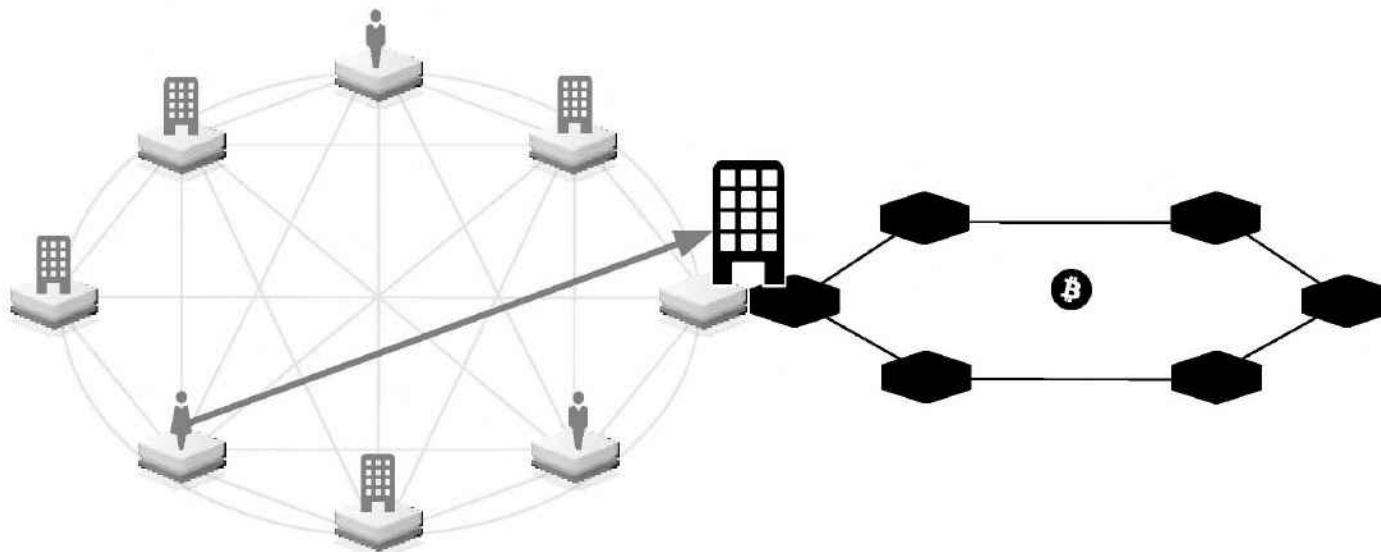
135

RPLI\_SEC 0258308

## Investigative Challenges

1

Off-Ledger is a Black Box

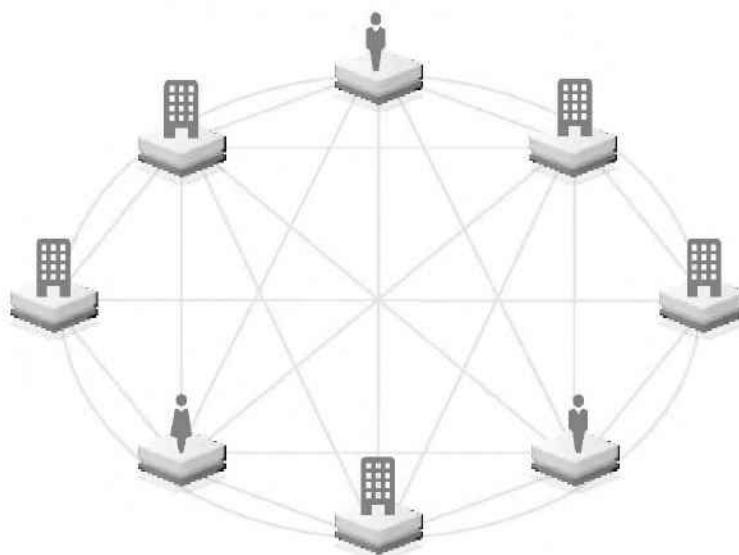


136

## Investigative Challenges

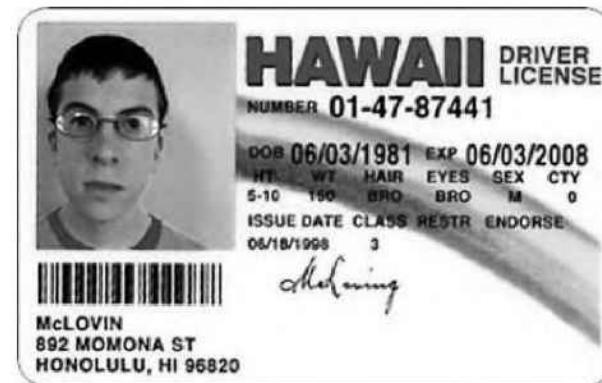
1

Off-Ledger is a Black Box



2

KYC Info (if available) is held by the Gateway



137

## Investigative Challenges – Following the Trail



FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

138

RPLI\_SEC 0258311

## Investigative Challenges – Following the Trail

- Regulation across different countries is patchwork, unclear, or non-existent
  - Virtual currency exchanges are not always subject to AML regulation
  - Critical KYC data is often not captured or is only partial
  - Law enforcement may encounter dead-ends at these exchanges
  - 314(b) requests return limited or no information



## Investigative Challenges – Following the Trail

- Regulation across different countries is patchwork, unclear, or non-existent
  - Virtual currency exchanges are not always subject to AML regulation
  - Critical KYC data is often not captured or is only partial
  - Law enforcement may encounter dead-ends at these exchanges
  - 314(b) requests return limited or no information
- Distributed nature complicates cross-border coordination
  - Information sharing across borders difficult due to varying privacy / info-sharing laws
  - Law enforcement coordination across borders can be cumbersome, time-consuming

## Investigative Challenges – Following the Trail

- Regulation across different countries is patchwork, unclear, or non-existent
  - Virtual currency exchanges are not always subject to AML regulation
  - Critical KYC data is often not captured or is only partial
  - Law enforcement may encounter dead-ends at these exchanges
  - 314(b) requests return limited or no information
- Distributed nature complicates cross-border coordination
  - Information sharing across borders difficult due to varying privacy / info-sharing laws
  - Law enforcement coordination across borders can be cumbersome, time-consuming
- Virtual currency wallets relatively easy to set up, from anywhere
  - Law enforcement often must rely on outbound flow of funds (i.e. exchanges) to identify suspects
  - Potentially unlimited structuring and layering of funds through multiple wallets
  - Employment of straw men for additional layering

## Investigative Challenges – Following the Trail

- Transactions move quickly and are irreversible
  - Layering can happen in real-time among a variety of exchanges, coins, and wallets
  - Recovery of funds (e.g. thefts) incredibly rare



## Investigative Challenges – Following the Trail

- Transactions move quickly and are irreversible
  - Layering can happen in real-time among a variety of exchanges, coins, and wallets
  - Recovery of funds (e.g. thefts) incredibly rare
- Use of mixers/tumblers/shufflers break audit traceability
  - Potential investigative dead-end



## Investigative Challenges – Following the Trail

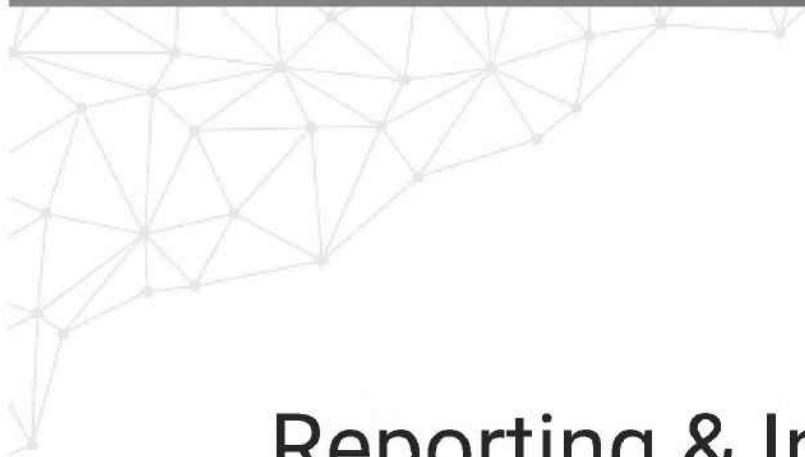
- Transactions move quickly and are irreversible
  - Layering can happen in real-time among a variety of exchanges, coins, and wallets
  - Recovery of funds (e.g. thefts) incredibly rare
- Use of mixers/tumblers/shufflers break audit traceability
  - Potential investigative dead-end
- Use of privacy coins further severs audit trail

## Investigative Challenges – Following the Trail

- Transactions move quickly and are irreversible
  - Layering can happen in real-time among a variety of exchanges, coins, and wallets
  - Recovery of funds (e.g. thefts) incredibly rare
- Use of mixers/tumblers/shufflers break audit traceability
  - Potential investigative dead-end
- Use of privacy coins further severs audit trail
- Hardware crypto wallets allow for easy portability (cash smuggling alternative)

## Investigative Challenges – Following the Trail

- Transactions move quickly and are irreversible
  - Layering can happen in real-time among a variety of exchanges, coins, and wallets
  - Recovery of funds (e.g. thefts) incredibly rare
- Use of mixers/tumblers/shufflers break audit traceability
  - Potential investigative dead-end
- Use of privacy coins further severs audit trail
- Hardware crypto wallets allow for easy portability (cash smuggling alternative)
- Anonymity / pseudo-anonymity
  - Non face-to-face customer relationships
  - Anonymous funding
  - Anonymous transfers if sender/receiver not identified



# Reporting & Information Sharing

Notifying Gateways, Law Enforcement, and the Industry



## Information Sharing

---

Ripple's wholly owned subsidiary XRP II, LLC participates in the 314(b) Voluntary Information Sharing program. Parent company Ripple is a founding member of the Blockchain Alliance, and regularly engages with law enforcement.

## Information Sharing

---

Ripple's wholly owned subsidiary XRP II, LLC participates in the 314(b) Voluntary Information Sharing program. Parent company Ripple is a founding member of the Blockchain Alliance, and regularly engages with law enforcement.



### 314(B) VOLUNTARY INFORMATION SHARING

XRP II, LLC has notified FinCEN that it elects to share information pursuant to section 314(b).

## Information Sharing

Ripple's wholly owned subsidiary XRP II, LLC participates in the 314(b) Voluntary Information Sharing program. Parent company Ripple is a founding member of the Blockchain Alliance, and regularly engages with law enforcement.



### 314(B) VOLUNTARY INFORMATION SHARING

XRP II, LLC has notified FinCEN that it elects to share information pursuant to section 314(b).

### GATEWAY NOTIFICATIONS OF UNUSUAL ACTIVITY

Ripple notifies gateways upon user reports of suspicious activity proceeds exiting via the gateway.

## Notifying Gateways

Hello,

We are reaching out to notify you of a suspicious wallet that is sending payments through Uquid. The suspicious wallet is:

The above wallet has been named in at least one XRP theft report submitted to Ripple. The suspicious wallet has sent 458 payments to Uquid's wallet over the past two weeks using 458 unique destination tags. Please see the attached spreadsheet for a list of the transactions and destination tags.

While Ripple has only received one theft report involving this suspicious wallet, it is involved in other suspicious activity. Therefore, we are notifying you of any associated transactions and/or customer accounts.

Sincerely,

Dear Melissa,

Thank you for alerting us!

Actually, we have such an option as a black list of suspicious wallets we are being reported about, so if you keep us informed about such ones as they appear, we'll be able to block them.

Concerning these particular transactions, unfortunately, it is too late to get this fraudulent activity blocked, for funds have already been exchanged and sent along, so they are no longer in our disposition. However, once being officially requested to do so, we can provide the wallet owner with the IP and the addresses of BTC recipient who has got the exchanged funds once these transactions were completed.

Thank you for your cooperation!

Sincerely,  
Changelly support team

## Information Sharing

Ripple's wholly owned subsidiary XRP II, LLC participates in the 314(b) Voluntary Information Sharing program. Parent company Ripple is a founding member of the Blockchain Alliance, and regularly engages with law enforcement.



### 314(B) VOLUNTARY INFORMATION SHARING

XRP II, LLC has notified FinCEN that it elects to share information pursuant to section 314(b).

### GATEWAY NOTIFICATIONS OF UNUSUAL ACTIVITY

Ripple notifies gateways upon user reports of suspicious activity proceeds exiting via the gateway.

### FOUNDING MEMBER - BLOCKCHAIN ALLIANCE

In January 2016, Ripple became one of the Blockchain Alliance's first industry members.



OUR MISSION

To provide a forum for open dialogue between industry and law enforcement and regulatory agencies, in order to help combat criminal activity on the blockchain.

WHO WE ARE

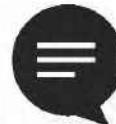
The Blockchain Alliance is a public-private forum created by the blockchain community. We are a broad coalition of companies and organizations who have come together with a common goal – to make the blockchain ecosystem more secure and to promote further development of this transformative technology.



## Information Sharing

Ripple's wholly owned subsidiary XRP II, LLC participates in the 314(b) Voluntary Information Sharing program.

Parent company Ripple is a founding member of the Blockchain Alliance, and regularly engages with law enforcement.



### 314(B) VOLUNTARY INFORMATION SHARING

XRP II, LLC has notified FinCEN that it elects to share information pursuant to section 314(b).

### GATEWAY NOTIFICATIONS OF UNUSUAL ACTIVITY

Ripple notifies gateways upon user reports of suspicious activity proceeds exiting via the gateway.

### FOUNDING MEMBER - BLOCKCHAIN ALLIANCE

In January 2016, Ripple became one of the Blockchain Alliance's first industry members.

### ONGOING LAW ENFORCEMENT ENGAGEMENT

Ripple regularly hosts on-site law enforcement visits and presents at AML/CFT conferences.

## Reporting to Law Enforcement



**Complaint Referral Form**  
**Internet Crime Complaint Center**

**Note:** Fields marked with \* are required.

**Victim Information**

\* **Name:**   
Business Name:   
Age:   
\* **Address:**   
Address (continued):   
Suite/Apt./Mail Stop:   
\* **City:**   
County:   
\* **Country:**   
State:   
\* **Zip Code/Route:**   
\* **Phone Number:**  numbers only (1112223333)  
\* **Email Address:**  jdoe@email.com

## Reporting to Law Enforcement

### Description of Incident

**\* Provide a description of the incident and how you were victimized. Provide information not captured elsewhere in this complaint form.**



Which of the following were used in this incident? (Check all that apply.)

- Spoofed Email
- Similar Domain
- Email Intrusion
- Other Please specify:

## Broader Solutions to Investigative Challenges



FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

157

RPLI\_SEC 0258330

## Broader Solutions to Investigative Challenges



Consistent regulation of digital currency exchanges



158

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258331

## Broader Solutions to Investigative Challenges



Consistent regulation of digital currency exchanges



Information sharing (trends, typologies, etc.) between industry and agency



159

## Broader Solutions to Investigative Challenges

-  Consistent regulation of digital currency exchanges
-  Information sharing (trends, typologies, etc.) between industry and agency
-  Collaborative cross-border law enforcement and regulatory partnerships



## Broader Solutions to Investigative Challenges

-  Consistent regulation of digital currency exchanges
-  Information sharing (trends, typologies, etc.) between industry and agency
-  Collaborative cross-border law enforcement and regulatory partnerships
-  Continued development and enhancement of tools to identify illicit funds flows, darknet nodes, related wallets (structuring), mixers/tumblers/shufflers



## Broader Solutions to Investigative Challenges

-  Consistent regulation of digital currency exchanges
-  Information sharing (trends, typologies, etc.) between industry and agency
-  Collaborative cross-border law enforcement and regulatory partnerships
-  Continued development and enhancement of tools to identify illicit funds flows, darknet nodes, related wallets (structuring), mixers/tumblers/shufflers
-  Implement improved reporting solutions to more quickly triage and address cases



## Public XRP Tools for Investigations



163

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258336

# xrpcharts.ripple.com

View wallets, transactions, and general market activity

ripple

XRP CHARTS

Buy 2,000 XRP @ 0.029 BTC/XRP

Offer 459645 cancelled

✓ [Get 40 XRP sent to -tomoponta \(0.00000000 XRP\)](#)

✓ [Get 11,286.11457 XRP @ 0.17011 XRP/EUR](#)

✓ [Get 5,841.38218 XRP @ 0.17011 XRP/USD](#)

✓ [Get 5,841.381162 XRP @ 0.17011 XRP/EUR](#)

✓ [Get 1.00 BTC @ 0.0114 BTC/XRP](#)

✓ [Get 0.00000000 XRP sent to -tomoponta \(0.00000000 XRP\)](#)

✓ [Get 7,64299 XRP @ 1.1745 XRP/CHF](#)

✓ [Get 5,841.381162 XRP @ 0.17011 XRP/EUR](#)

✓ [Get 5,841.38218 XRP @ 0.17011 XRP/USD](#)

✓ [Get 11,286.11457 XRP @ 0.17011 XRP/EUR](#)

✓ [Get 7,64299 XRP @ 1.1745 XRP/CHF](#)

✓ [Get 3,217.7523 USD @ 0.89844 USD/USD](#)

✓ [Get 0.00296795 BTC @ 16.180 BTC/XRP](#)

✓ [Get 5,841.38218 XRP @ 0.17011 XRP/USD](#)

✓ [Get 5,841.38218 XRP @ 0.17012 XRP/EUR](#)

✓ [Get 5,841.381162 XRP @ 0.17011 XRP/EUR](#)

✓ [Get 11,286.11457 XRP @ 0.17012 XRP/EUR](#)

DESCRIPTION: [View](#)

STATUS: [View](#)

This transaction was successful, and validated in ledger 30668785 on June 22, 2017 9:58 AM.

DESCRIPTION: [View](#)

This is a Payment transaction.

The payment is from -tomoponta ([Get 40 XRP sent to -tomoponta \(0.00000000 XRP\)](#)) to -tomoponta ([Get 40 XRP sent to -tomoponta \(0.00000000 XRP\)](#)).

It was instructed to deliver 40 XRP.

The actual amount delivered was 40 XRP.

The transaction's sequence number is 42.

MEMOS: [View](#)

The transaction contains the following memos:

- Type: client (selected here)
  - Format: hex/plain (selected here)
  - Data: gatehub (selected here)

TRANSACTION COST: [View](#)

Sending this transaction consumed 0.000015 XRP.

FLAGS: [View](#)

The transaction specified the following flags:

- tffFullyCanonicalDig

AFFECTED LEDGER NODES: [View](#)

It affected 2 nodes in the ledger:

MODIFIED NODES:

- It modified the AccountRoot node of -tomoponta ([Get 40 XRP sent to -tomoponta \(0.00000000 XRP\)](#))
  - Balance reduced by 40 from 75.491894 to 35.491859 XRP
- It modified the AccountRoot node of -tomoponta ([Get 40 XRP sent to -tomoponta \(0.00000000 XRP\)](#))
  - Balance increased by 40 from 438.342992 to 478.342992 XRP

coinmarketcap.com

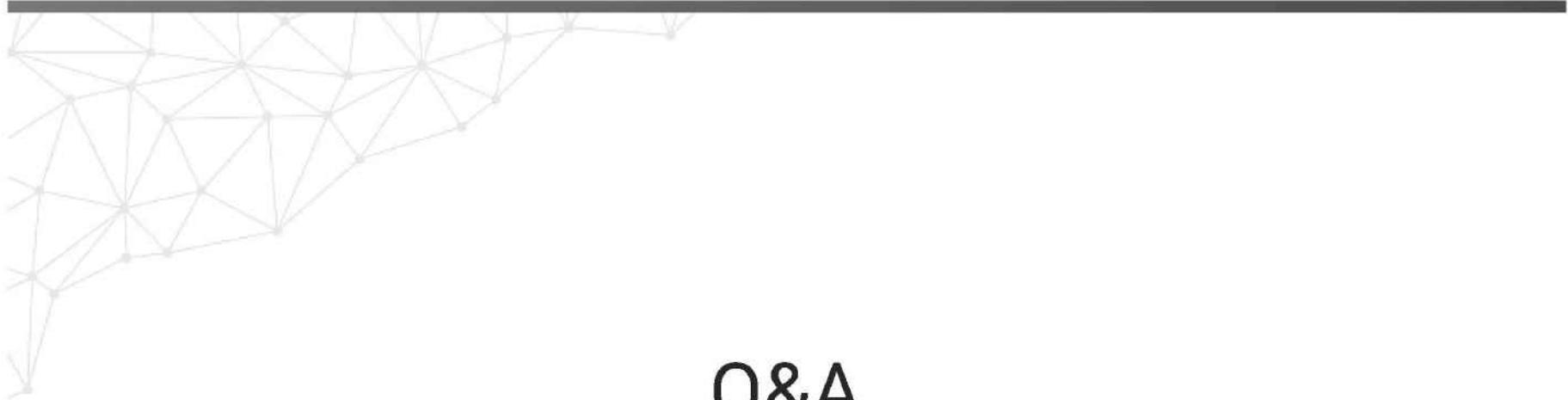
---

List of gateways that list XRP

#	Source	Pair	Volume (24h)
1	Bitumb	XRP/KRW	\$9,625,340
2	Coinone	XRP/KRW	\$5,642,280
3	Poloniex	XRP/BTC	\$5,634,470
4	Bittrex	XRP/BTC	\$3,656,310
5	Korbit	XRP/KRW	\$3,609,590
6	Kraken	XRP/BTC	\$1,761,580
7	Poloniex	XRP/USDT	\$1,634,180
8	Kraken	XRP/EUR	\$1,498,250
9	Bitstamp	XRP/USD	\$1,398,070
10	Kraken	XRP/USD	\$1,343,200
11	Bitfinex	XRP/USD	\$957,568
12	Bitfinex	XRP/BTC	\$757,144
13	Gatehub	XRP/BTC	\$524,248
14	Jubi	XRP/CNY	\$503,130
15	Bitstamp	XRP/EUR	\$424,378
16	Bitstamp	XRP/BTC	\$354,637
17	BTC38	XRP/CNY	\$345,025
18	Bittrex	XRP/USDT	\$256,298
19	RippleFox	XRP/CNY	\$240,832

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258338



## Q&A



166

FOIA CONFIDENTIAL TREATMENT REQUESTED BY RIPPLE LABS, INC.

RPLI\_SEC 0258339